



GOVERNMENT OF INDIA  
MINISTRY OF  
LABOUR AND EMPLOYMENT

**REPORT  
OF THE  
WORKING GROUP  
ON  
PLANTATIONS  
LABOUR HOUSING**

## PREFACE

Various enquiries have been conducted in the past into the socio-economic conditions of Plantation Labour. A most comprehensive enquiry into the economic conditions and problems of the Plantation Industry was made by the Plantation Inquiry Commission, 1956. The Working Group on Plantation Labour Housing set up in August 1962 was, however, entrusted with an enquiry, which though limited in scope, related to a subject of a rather controversial nature.

2. The main object of this enquiry was to make a realistic assessment of the financial capacity of the plantation industry to construct houses for labour according to the statutory target so as to find out whether the failure to fulfil the housing programme was, as had been made out, largely due to financial difficulties, and if so, to what extent these difficulties could be eliminated or minimised to ensure the speediest possible fulfilment of the housing programme. In an enquiry of this type, planters and workers, by and large, naturally tend to hold different—sometimes even diametrically opposite—views. The Working Group held discussions with all the interests concerned, examined the data thrown up by the replies to the questionnaires issued and conducted certain investigations into the financial condition of the plantation industry. Visits to typical gardens all over India enabled the Group to acquire a first hand knowledge of the condition of labour housing and the difficulties involved in speedy completion of the housing programme.

3. Notwithstanding the complexity of the problem entrusted to us for study and the controversies which it had aroused in the past, it is indeed gratifying that the Working Group has been able to adopt a unanimous Report. The Report could not be submitted earlier as replies to the Questionnaires from a number of organisations were received rather late.

4. I take this opportunity of expressing on behalf of the Working Group our sincere gratitude for the cooperation which we received throughout from the State Governments and the organisations of planters and workers. Our thanks are also due in a great measure to the officers and staff of the Ministry of Labour & Employment who worked hard, in addition to their normal duties, to collect and compile expeditiously, from the voluminous material received in reply to the Questionnaires, the data incorporated in this Report. A special mention should be made of the hard work done

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(ii)

by Shri O. P. Talwar (Under Secretary) and Shri Daljit Singh (Section Officer).

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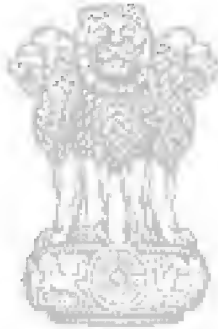
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## CHAPTER I

### *Introductory*

#### **Need for provision of workers' houses**

The geographical situation of most of the plantations is such that it is necessary for labour to reside in them. This explains the need for provision of housing accommodation for workers employed on plantations. The housing conditions for plantation workers have long been unsatisfactory and it was agreed to at the 3rd Session of the Industrial Committee on Plantations (November, 1950) that better houses would be provided for workers according to certain standards approved by the Committee and that the programme of construction of houses would be completed over a period of 12-13 years by constructing houses of a standard type for at least 8% of the resident workers every year.

#### **Implementation of the Housing Programme**

2. The employers were requested to implement the recommendation of the Industrial Committee and a number of them did so in advance of the enforcement of the Plantations Labour Act, 1951, which imposed a statutory obligation on employers to provide houses for resident workers and their families. The State rules framed under the Act generally provide for construction of houses for 8 per cent of resident workers every year. These rules are based on the model rules prepared by the Central Government after discussions at Tripartite Conferences. The Plantations Labour Rules of State Governments were brought into force during the years 1956 and 1957. Thereafter the progress of construction of houses slowed down and the employers represented that they could not implement the housing programme mainly because of their financial difficulties.

#### **Circumstances leading to the setting up of the Working Group on Plantations Labour Housing**

3. To accelerate the progress of construction of houses facilities for the grant of interest bearing loan to needy planters were provided under the Plantation Labour Housing Scheme, which came into force with effect from 1-4-1956. The progress of construction of houses has, however, not been up to the target laid down in the rules. In certain areas the achievement has been far below this target as evident from the statistics given in Appendix I.

The Consultative Committee of Tea Producers Associations represented to the Central Government in 1960 that this 8 per cent target was adopted by Government on the assumption that the conditions prevailing in 1950 would not change. The Association contended that the conditions had materially changed inasmuch as the State Governments of Assam and West Bengal had imposed local taxes on the tea industry to the tune of Rs. 5 crores per annum and that additional

financial burden had also been imposed on them on account of bonus payments, wage increases and grant of certain other benefits to plantation labour. According to the Consultative Committee, the Tea Industry could no longer, in view of this additional expenditure, fulfil the statutory obligation of providing housing accommodation to 8 per cent of the resident workers per annum without jeopardising their other essential financial commitments in regard to replantation, replacement of old machinery etc. The Committee accordingly pressed for the grant of certain concessions viz. the reduction of the target of 8 per cent referred to above, 100 per cent depreciation in respect of expenditure on labour housing and sanction of loans and subsidies under the Subsidised Industrial Housing Scheme.

The question of construction of houses for plantation labour was discussed from time to time at several tripartite conferences. It was last discussed at the 10th Session of the Industrial Committee on Plantations which was held in New Delhi on the 21st September, 1961. At this meeting it was emphasised on behalf of the employers that while they were eager to fulfil their statutory obligations in the matter of construction of houses and were making all possible efforts in this direction, it would not be practicable to apply any rigid formula for completing the fixed percentage of houses every year. The employers needed assistance by way of loans, subsidies and development rebate. On the other hand, the workers' representatives emphasised at the meeting that the housing programme should be completed expeditiously whatever the nature of assistance that Government might decide to give to the employers. The workers' representatives were of the view that if any development rebate was to be allowed it should not be debited to the revenue account for the calculation of profits for the purpose of payment of bonus. It was, therefore, agreed at the meeting that the Ministry of Labour and Employment should set up, in consultation with the then Ministry of Works, Housing and Supply and the then Ministry of Commerce and Industry, a Working Group to go into the whole question of finance and to devise ways and means to ensure the speediest possible completion of the housing programme.

#### **Constitution of the Working Group on Plantation Labour Housing**

4. The Ministry of Labour and Employment accordingly issued orders setting up the Working Group on Plantations Labour Housing *vide* their letter No. PL-15(8)/60 dated the 5th August, 1962 (copy attached *vide* Appendix II). The membership of the Working Group is given below :—

1. Shri N. N. Chatterjee, Joint Secretary, Ministry of Labour & Employment—*Convener*.
2. Shri K. N. Valenkar, Deputy Housing Adviser, Ministry of Works, Housing and Supply (now Ministry of Works, Housing & Rehabilitation).
3. Shri H. K. Kochar, Deputy Secretary, Ministry of Commerce and Industry (now Ministry of International Trade).

4. Shri A. S. Bam, Chairman, Tea Board, Calcutta or, alternatively, Mr. W. Simpson, Director of Tea Development, Tea Board, Calcutta.
5. Shri S. S. B. Raghavan, Assistant Chief (Housing), Planning Commission.
6. Shri Gurdev Saran, Under Secretary, Ministry of Finance (Works).

Consequent on Mr. Simpson (item 4 above) leaving the service of the Tea Board, Shri K. M. Kidwai, Director of Tea Development, Tea Board, Calcutta has been serving on the Working Group since November, 1962. Similarly, for some time Shri G. S. Bhasin, Under Secretary, Ministry of Finance (Works) served on the Working Group in place of Shri Gurdev Saran when the latter was appointed to officiate as Deputy Secretary in the Ministry of Finance. Likewise Shri B. Krishnamurti Under Secretary, Ministry of International Trade served on the Working Group sometimes when Shri H. K. Kochar could not attend.

#### Terms of reference

5. The terms of reference of the Working Group as specified in Government orders on the subject are mentioned below :—

- (a) To assess the total cost of provision of houses of approved standards for plantation workers and their families not yet provided with such houses and the resources available to employers for this purpose including loan facilities under the Plantation Labour Housing Scheme and those provided by banks;
- (b) To suggest how the existing loan facilities may be improved, whether further facilities for loans should be provided, and whether loans can be had from the Life Insurance Corporation for construction of workers' houses under the Plantations Labour Act;
- (c) To recommend whether, in addition to loans, assistance by way of subsidies should be provided by Government and if so, how and to what extent such assistance should be given;
- (d) To consider whether the entire cost of construction of workers' houses could be charged to the revenue account so that 100 per cent development rebate would be allowable to employers for purposes of income-tax without affecting the profits for disbursement of bonus to plantation workers;
- (e) To examine whether the annual rate of construction of workers' houses prescribed in the Plantations Labour Rules should be modified; and
- (f) To make any other suggestions for completion of the housing programme for plantation workers within a reasonable time.

### Mode of Enquiry

6. The Working Group decided that before it drafted any Questionnaire and issued it to the individual estates, the associations of employers and employees and State Governments, it should have a round of preliminary and informal consultations with the State Governments and associations of employers and workers concerned with the plantation industry. It also decided that to acquire a first hand knowledge of the difficulties experienced by planters in fulfilling the housing programme it should pay visits to typical plantations in various States in the country. The Working Group accordingly visited plantations in Assam, West Bengal, Tripura, Madras, Kerala and Mysore and had informal discussions with the representatives of State Governments and of the planters' and workers' associations concerned with plantations in these States. The names of the employers' and workers' associations with whose representatives the Members of the Working Group had informal discussions and the individual estates which the Members of the Working Group visited are mentioned in Appendix III. The Group did not visit the plantations in the Punjab, Himachal Pradesh and Uttar Pradesh as the housing problem in respect of plantation workers in these States was not acute.

After the completion of the round of preliminary discussions with the representatives of State Governments and planters' and workers' associations and after visits to certain individual plantations in various States, the Working Group drew up a Questionnaire for circulation to tea, and coffee/rubber estates. The two Questionnaires have been reproduced in Appendix IV. In the case of tea plantations the Questionnaire was addressed to individual estates, State Governments and planters' and workers' associations. In the case of coffee and rubber plantations, the Questionnaires were addressed only to the associations of planters and workers and State Governments, and not to individual estates, as quite a number of coffee and rubber estates are very small and do not have the requisite facilities for compiling information in reply to an elaborate Questionnaire. This was evident from the fact that only about 5 per cent of the coffee and rubber estates had sent a reply to the Questionnaire issued by the Wage Board.

Originally a time limit of only six weeks for replying to the Questionnaires was allowed. According to this time limit the replies to the Questionnaire were required to reach the Working Group by the 15th June, 1963. Subsequently at the request of the planters the time limit was extended to the 15th July, 1963. On further request, the time limit was extended up to the 15th August, 1963. Replies received after that date have also been taken into account. The United Planters' Association of Southern India could furnish their replies to the Questionnaires on coffee and rubber plantations only in December, 1963. Replies were received from the INTUC and the AITUC in January, 1964. The reply\* of the Mysore Government

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\*The Mysore Govt.'s reply was received on the 21st March, 1964.



was not received by the time this Report was signed but detailed discussions had taken place with their representatives. The table appended below indicates the extent of response from the plantation industry to the Questionnaire issued.

No. of estates/companies addressed		No. of estates/companies who replied	No. of planters' associations addressed	No. of planters' associations who replied	No. of workers' associations addressed	No. of workers' associations who replied
Tea	1580	..	320	15	10	21
Coffee	}	..	6	1	23	7
Rubber		(The Questionnaire was not addressed to individual coffee and rubber estates).				

A list of individual estates and planters' and workers' associations and State Governments who replied to the Questionnaire is given in Appendix V.

7. The detailed investigations undertaken by the Working Group reveal that the position in regard to provision of houses for plantation labour is rather unsatisfactory although it may not be as bad in certain regions as in others. This problem cannot be thought of in isolation from the housing programme concerning other classes of population in the country. For instance, as compared to agricultural workers the plantation labour is not very badly off in the matter of housing. It is an accepted fact that there is in fact an acute overall shortage of housing in the country. Notwithstanding this, plantation labour housing does merit special consideration because of the certain specific features applicable to the plantation industry *e.g.* (i) easy availability of land in plantations; (ii) traditional arrangements for accommodating labour on the estates; (iii) the necessity from the point of view of the nature of work involved for accommodating labour in the vicinity of the site of the work; (iv) easy availability of local building materials *e.g.* straw, bamboo, timber, water, etc., and (v) availability of plantation labour for employment on construction work during the lean period.

### Main Recommendation of the Working Group

8. Recognising the present financial burden on the plantation industry, and the fact that this is the only industry on which a statutory obligation has been imposed by Government to provide rent free housing accommodation to its employees and the need for the speediest fulfilment of the housing programme, the Working Group has recommended two-fold financial relief to the industry, *viz.*, (a) that assistance on the lines of the Subsidised Industrial Housing Scheme should be provided to it so that the industry could get the benefit of 25 per cent subsidy and (b) that the industry should be allowed higher rates of depreciation allowance for purposes of Income Tax rebate and Agricultural Income Tax Rebate. Either of these measures of relief should be adequate for the majority of the gardens. The Working

Group has however recommended both the measures for the following reasons :—

- (i) The provision of the element of subsidy in the Plantation Labour Housing Scheme so as to provide for 25 per cent of the cost of construction as subsidy and 50 per cent as loan will not by itself solve the problem, as the Scheme visualises grant of assistance up to a limited extent,—the maximum cost per unit under the Scheme has been fixed at Rs. 3,000. For instance in Assam where the cost of construction per unit will, according to revised standards and specifications notified by the State Government, be nearly 80 per cent more than the ceiling laid down in the Plantation Labour Housing Scheme, the planters will not get any matching subsidy for the increase in the cost of construction. Of course an upward revision of the ceilings fixed under the Plantation Labour Housing Scheme is overdue. Such revisions have taken place in subsidised Industrial Housing Scheme, Coal Mines Labour Welfare Housing Scheme etc. already.
- (ii) On account of the difficulty in providing necessary security, the economically weak and backward gardens will neither qualify for getting the loans from the State Governments nor will they be in a position to repay the loans at a fairly high rate of interest.
- (iii) On account of the limited financial resources available, adequate funds may not be forthcoming for providing subsidy under the modified Plantation Labour Housing Scheme, the Group is recommending, to a large number of gardens within a very short time. If the Plantation Labour Housing Scheme is modified to provide for 25 per cent subsidy, the demand for assistance under this Scheme will be very great indeed.

The Working Group feels that the provision of both the benefits viz., subsidy and enhanced rates of depreciation allowance would help in speedy fulfilment of the housing programme and that it would not only encourage the prosperous gardens to complete the programme quickly but would also provide relief to the needy gardens who have not been able to build houses for want of funds. It could be laid down that both the forms of assistance would be available to any garden that qualifies for both, for a limited period, say 8 to 10 years, within which the change-over from sub-standard to standard houses should be completed.

## CHAPTER II

### *Assessment of the total cost of provision of labour housing—Resources available to the employers*

#### **Change of circumstances since fixation of the target for construction of house at 8% of resident workers per annum**

In Chapter I a reference has been made to the contention of the Consultative Committee of the Tea Producers' Association that in view of the additional expenditure imposed on the plantation industry on account of various Central and State taxes, wage increases, etc. it is no longer feasible for them to fulfil the statutory obligation of providing housing accommodation for 8 per cent of the resident workers per annum without jeopardising their other financial commitments in regard to replantation, replacement of old machinery etc. This contention has been examined by the Working Group in some detail. It is observed that the financial burden on the plantation industry has in fact increased since the target for construction of houses for 8 per cent of the resident workers per annum was laid down in 1950, on account of the following reasons :

- (a) additional taxation;
- (b) increase in wages and fringe benefits; and
- (c) increased cost of construction of labour housing.

#### **Additional Taxation**

2. As regards additional taxation, it has been reported to the Working Group that the Sterling Companies are paying about 62 per cent of their profits in the form of taxes whereas Indian Companies are expending about 50 per cent of their profits on taxes. A statement showing the local taxes at present levied on the plantation industry by the various State Governments is attached *vide* Appendix VI. Quite a number of these taxes have been imposed after 1950. It has been estimated by the planters that in Assam and West Bengal alone the additional local taxes imposed by the State Governments on the production of tea industry is costing them about Rs. 5 crores per year. Apart from local taxes imposed by the State Governments, the increase in the rates of income-tax the enactment of the Super-profit Tax Act and the cost of emergency risks insurance etc. have also imposed a further burden on the financial resources of the industry.

#### **Wage Increases**

3. The cost of the wages and the fringe benefits (which are estimated at about 25 per cent of the wage bill) has also been going up progressively. Since 1950 the increase in adult male wages alone has been estimated by the Consultative Committee of the Tea Producers Association to be bet/ 66 per cent and 117 per cent in various areas in Northern India an/

total cost of these increases in respect of plantations in North East India alone has been estimated to be of the order of Rs. 25 crores per annum. The recommendations of the Bonus Commission and the Wage Boards when implemented would make a further addition to the financial burden of the plantation industry.

#### **Increase in cost of construction**

4. Apart from the increase in the financial Commitments of the industry caused by additional taxes and enhanced wages, there has been a considerable increase in the cost of construction of houses for plantation labour on account of two main factors; viz. (a) increase in the cost of building materials and labour charges; and (b) upward revision of specifications in some cases. For instance in Assam where the cost of construction per unit in 1950 was only about Rs. 1,000, the present cost of construction according to the revised specification announced by the State Government would according to their (State Government's) estimate be about Rs. 5,525. In West Bengal against the cost of construction per unit of Rs. 1,000 in 1950, the present cost of construction per unit is Rs. 3,000. Similarly in Tripura the present cost of construction is estimated to be about Rs. 3,500 against Rs. 1,000 in 1950. There have been similar increases in South India also where the cost of construction per house is at present between Rs. 2,000 to Rs. 2,500.

5. It will be observed from the position stated above that the contention of the plantation industry that the position has considerably changed since the present target of 8 per cent for construction of labour houses was adopted, is substantially correct inasmuch as not only has the financial burden on the industry increased but on account of increased cost of construction the number of houses which can be constructed now with certain given resources is much less than the number which could be constructed in 1950.

#### **Assessment of the financial requirements of the plantation industry for completion of the housing programme**

6. A statement showing the number of resident workers in plantations in each State, the number of houses of the approved standard in existence as on 31-12-1962 and the number of houses still required to be constructed is attached *vide* Appendix I. It will be observed from the statement that against a total number of 4,51,670 houses required to be constructed only 2,40,329 houses of the approved standard were in existence on 31-12-1962. According to the present cost of construction per unit in the various States a capital of about Rs. 87.66\* crores would be required to complete the housing programme. This estimate is, however, based on several assumptions, viz.

- (a) there is no substantial increase in the labour force as on 31-12-1962;

- (b) there will be no further increase in the cost of construction; and
- (c) there will be no upward revision of the housing standards at present in force in the various States.

The total estimated cost of Rs. 87.66\* crores mentioned above includes expenditure incurred under the Plantation Labour Housing Scheme (for which the latest figures are not yet available) and does not take into account the fact that the expenditure on remodelling houses of a sub-standard design would be less than the original cost of construction of new houses according to the approved standards.

### Profitability of the Plantation Industry

7. The plantation industry has earned slightly bigger profits as compared to other industries during the 10 years period 1951-60. This will be evident from the statistics given in Appendix VII. The industry, has, however, argued that the capital formation in the plantation industry is the lowest as compared to other industries in the private sector. According to them, owing to the shyness of outside capital a major portion of the profits of the industry has to be ploughed back for the re-investment in the plantation development with the result that very little profits are left over for other purposes viz. labour housing, labour welfare amenities etc. Another point made by them is that unlike many other industries the plantation industry is not compensated for the increased cost of production by a proportionate increase in prices because the industry has to compete with the world market.

8. The contention of the tea industry mentioned above is substantially correct. Even the Plantation Enquiry Commission, 1956, in their report remarked that they had seen very little new issues of capital in respect of the plantation industry between 1939 to 1953. According to the findings of the Commission, in the absence of fresh additions to paid up capital, the retained profits of the plantation industry were their main source of finance. Unfortunately the retained profits have also been gradually dwindling owing to steady increase in taxation. This will be borne out from the following statistics.\*\*

RETAINED PROFITS AS PERCENTAGE OF  
PROFITS AFTER TAX

				1961	1960	1959
All Industries	..	..	..	36.4	39.3	37.0
Tea Plantations	..	..	..	2.9	18.9	35.0
Coffee Plantations	..	..	..	-27.2	23.5	-8.0
Rubber Plantations	..	..	..	5.7	25.3	2.0

\*According to the Revised estimate, the figure would amount to Rs. 87.67 crores, cf. foot-note in Appendix I.

\*\*Source—Commerce dated 30th November 1963.

9. The fact that the capital formation rate is the lowest in the plantation industry is also borne out from the under-mentioned statistics published by the Reserve Bank of India.

**CAPITAL FORMATION RATES (1961)  
PERCENTAGES**

							Gross	Net
All Industries	..	..	..	..	..	..	9.1	10.1
Tea Plantations	..	..	..	..	..	..	2.9	4.5
Coffee Plantations	..	..	..	..	..	..	3.2	4.5
Rubber Plantations	..	..	..	..	..	..	-2.3	-0.3

10. The prices of the plantation products mostly depend on international supply and demand. During the 12 years period from 1950-61, the cost of production index in respect of South India tea moved up from 100 (Base year 1950) to 240 whereas during the same period the price index moved up only from 100 to 101.9.

11. These factors have an important bearing on the financial resources available to the plantation industry for the construction of houses.

**Financial Resources available at present for construction of houses**

12. The resources available to the plantation industry for construction of houses can be broadly grouped under the following categories :

- (a) Their own resources available from gross profits and reserve funds;
- (b) (i) Loans available under the Plantation Labour Housing Scheme; and
- (ii) Loans available from the L.I.C.

**Resources of the Plantation Industry**

13. As regards finances available to the plantation industry from within their own resources, the position cannot be generalised for the industry as a whole. The financial condition of the industry differs not only from State to State but also from one area to another in the same State and from one plantation to another plantation in the same area. Broadly speaking, in Assam and West Bengal while there are some estates whose financial position is sound enough for steady construction of houses at the scheduled rate, there are other estates which cannot comply with the provisions of the Plantations Labour Act owing to lack of funds. In Madras and Kerala the financial position of the plantation industry is generally sound enough for provision of workers' houses. In Uttar Pradesh, Himachal Pradesh, Punjab and Tripura, the tea estates generally are not in a sound financial position. In each State there are certain areas where most of the estates are not in a prosperous condition, viz., Cachar and Goalpara in Assam, Siliguri, Cooch Behar and Kalimpong in West Bengal, and Gudalur, Kanyakumari, Tinnevely in Madras etc.

14. As the financial condition differs from one unit to another, no realistic estimate can be framed of the finances available, to the plantation industry for construction of workers' houses from within their own resources.

#### Reserve Funds

15. It was brought to the notice of the Working Group by some interests that the reserve funds maintained by certain estates could be utilized for construction of more houses for labour. It has, however, been observed that the majority of tea companies do not maintain any reserve funds as all available finances are required by them for the working of the companies. The few companies which maintain large reserve funds are generally in the prosperous category and are not faced with any financial difficulty in constructing houses. As such no appreciable speeding up of the housing programme by diversion of reserve funds to the construction of houses can be expected.

#### Overhead Charges

16. It has been contended by some workers' organizations that overhead charges and dividend rates are high and that if expenditure on these items could be curtailed the available resources for construction of workers' houses could be increased.

17. As regards overhead charges, from the replies received to the Questionnaire from the various tea companies it is observed that in certain cases there is room for curtailing expenditure by decreasing the remuneration paid to the Managing Agents and Secretaries, by abolishing or restricting the commission paid to Managers etc. and by rationalizing the salary structure of the managerial cadre. Managing Agents draw commission on profits ranging up to 10 per cent or a commission on gross sale proceeds ranging up to 4 per cent or on both. In addition they get a substantial amount of office allowance, a commission on stores purchased ranging up to 5 per cent of the invoice value, commission on recruitment of labour and a commission on shipments made. There is, therefore, a possibility of reduction in expenditure by bringing down administrative cost in regard to managerial staff and managing agents. The appropriate course would be to pay a fixed salary to the staff instead of following the present method of paying the salary plus commission either on gross sales or profits. The gradual Indianization of staff which is taking place in the case of sterling companies, as evident from the statistics mentioned below, will also in due course bring down the high-overhead charges prevalent at present in these companies :—

*Percentage of Indians and Non-Indians drawing Rs. 1,000 and above per mensem*

1-1-1960		1-1-1961		1-1-1962	
Indians	Non-Indians	Indians	Non-Indians	Indians	Non-Indians
34	65.1	37.5	62.5	41.6	58.4

### Dividend Rates

18. A statement showing the dividend paid by the Tea Companies who have replied to the Questionnaire is attached *vide* Appendix VIII. It will be observed that in certain cases the dividend rates paid are as high as 120 per cent to 150 per cent on original paid-up capital. (In the case of one estate the dividend rate is 280 per cent). Another statement showing dividend rates as percentage of paid up capital in different industries is attached as Appendix IX. It also shows that dividend rates in plantations are high as compared to those in other industries. The tea industry maintains that any reduction in dividend rates would be contrary to the spirit of reward for enterprise. They have stated that in many cases the dividend rates have been limited so as to plough the companies' profits back into business. According to them a 10 per cent return on the par value of the shares may in fact be producing only 3 per cent or 4 per cent on the shareholders' investment which according to their argument is not an overgenerous return for an industry which cannot be called economically stable on account of the fluctuating nature of profits. They feel that any forced limitation on dividends would enhance difficulties of attracting new capital to the industry and of keeping old capital intact. A point has also been made that in the case of private limited companies under the Companies Act, 60 per cent of the net profit has to be paid as dividend although this is not true of joint stock companies. The industry maintains that relating dividend rates to the book value of shares is erroneous.

19. Notwithstanding the views expressed by the plantation industry, the fact remains that dividend rates declared by certain companies are unconscionably high particularly if we take into account their performance in the matter of construction of houses for labour. The undermentioned instances will illustrate this point :

Name of the Company	Dividend Rates declared on original paid up capital (percentage)					% of housing target achieved	
	1956	1957	1958	1959	1960	1961	
1. Katalguri Tea Co. ..	280	42	42	84	140	140	20
2. Southern India Tea Estate Co. Ltd. ..	70	50	60	80	110	60	42
3. Gopalpur Tea Co. ..	102	37	56	86	112	18.6	60
4. Atiabari Tea Co. ..	210	84	84	140	140	70	15.4

20. The instances mentioned above are only illustrative and not exhaustive for the reason that as mentioned in Chapter I only 320 estates out of a total number of 1580 addressed replied to the questionnaire issued by the Working Group. Even if the argument of the plantation industry that the dividend rates should be related not to the book value but to the market value of shares is accepted, there is a *prima facie* case for rationalizing the existing high rates of dividend paid by certain companies so as to provide



more funds for labour housing and other welfare measures while ensuring a fair return to shareholders.

The Working Group do not, however, think that if the overheads and dividends were rationalised or reduced that would very substantially help the house building programme except in a limited number of cases. But the sharp contrast between high overheads and dividends and poor performance in housing even in a few cases would naturally attract strong comments from the workers' organisations.

**Relative importance of expending funds on replantation and replacement of old machinery**

21. It has been argued by the industry that funds to be expended on developmental charges, viz. replantations and replacements of old machinery, should be given precedence over labour housing. The industry maintains that it is more important to strengthen the production base rather than insist on the immediate and full implementation of the housing programme. As provision of basic amenities for labour is an essential factor for ensuring optimum production it is felt that a reasonable balance should be maintained between expending of money on developmental charges and on labour housing and that neither of the two should take precedence over the other.

**Plantation Labour Housing Scheme**

22. Apart from the funds available to the plantation industry from within its own resources, the other source from which finances can at present be found for the construction of houses is the Plantation Labour Housing Scheme. This Scheme was introduced in April, 1956, to help particularly the smaller planters in fulfilling their statutory obligation of providing residential accommodation for their workers. Under the Scheme planters are eligible for the grant of loans not exceeding 80 per cent of the actual cost of construction of houses (exclusive of the cost of land and its development which is not taken into account for the purpose) subject to a maximum of Rs. 2,400 per house in the case of plantations in North India and Rs. 1,920 per house in the case of plantations in South India. The loans under the scheme carry 5½ per cent interest and are recoverable in 30 equated annual instalments.

23. A statement showing the progress so far achieved under the Scheme is attached *vide* Appendix X. Against a provision of Rs. 50.67 lakhs under the Scheme in the Second Plan period, the States drew a sum of Rs. 13.87 lakhs only. During the Third Plan period, against a provision of Rs. 74 lakhs, the States had drawn only Rs. 2.37 lakhs in 1961-62. According to the reports received from the States, during the period 1-4-56 to 31-10-62 only 1454 houses had been sanctioned out of which 674 have been completed so far. Only six States (Assam, Kerala, Madras, Mysore, Uttar Pradesh and West Bengal) are at present implementing the scheme. Mysore

and Uttar Pradesh have not yet done any work under the Scheme while in Assam and Kerala the progress of work and expenditure has not been at all commensurate with the size of their plantation labour.

24. The progress of the Scheme has been far from satisfactory on account of the inability of the planters to furnish the normal security prescribed by State Governments for loans advanced under the Scheme. In view of the peculiar nature of plantation finances, the planters have to deposit their title deeds etc. as first mortgage. They are consequently not in a position to offer first mortgage of their estates or their immovable properties as security to the State Governments for loans advanced under this Scheme. Except in West Bengal where the State Government is accepting bank guarantees, the Scheme has not been popular. It is felt that to enhance the financial resources of the plantation industry for construction of workers' houses the State Governments should, on the analogy of the practice followed by the West Bengal Government, relax the rigid security conditions which are at present enforced by them for the grant of loans under the Housing Scheme. The manner in which these security conditions should be relaxed has been discussed in the next Chapter relating to improvement of loan facilities.

#### **Loans from L.I.C. Funds**

25. Loans for allocation to the plantation industry are also available from L.I.C. funds. Out of the total assistance of Rs. 1,264.5 lakhs agreed to be provided by the L.I.C. for the Housing Programme in 1963-64 an amount of Rs. 1,236.4 lakhs will be distributed among the States. The State Governments are free to utilize the allocated funds for any or all the housing schemes and prefer their demands accordingly. Excepting the West Bengal Government no other State Government has availed of loan facilities from Life Insurance Corporation. If, on the analogy of the action taken by the West Bengal Government, other State Governments where the plantation industry is in need of funds for construction of workers' houses, take measures to popularise the Plantation Labour Housing Scheme by relaxing the rigid security conditions in force at present, they can draw on the loan facilities available under the L.I.C. funds for providing financial assistance to needy planters. Action in this direction is indicated on the part of the State Governments concerned.

#### **Conclusion**

26. Taking into consideration all the factors mentioned above the Working Group is of the opinion that some units of the plantation industry are definitely in need of financial assistance if they are to fulfil the housing programme according to the target of construction of houses at the rate of 8 per cent of resident workers per annum. The manner in which the existing loan facilities can be improved and enhanced and the extent of financial assistance which can be made available to needy gardens is discussed in the next Chapter.

## CHAPTER III

### *Financial Assistance for Labour Housing*

#### **Desirability of early completion of the Housing Programme**

1. As mentioned earlier, the housing programme was started after the 3rd Session of the Industrial Committee on Plantations. The period of 13 years from 1951 is nearly over and the programme should have been completed by now. On the other hand, the position is as has been stated before that out of a total of 451670 houses of the approved type required to be constructed, 240329 houses only have been constructed. This means completion of roughly 53 per cent of the programme. It does not seem desirable to allow another long period to the industry to provide houses and to deny the facility of improved houses to workers in plantations.

#### **Need for financial Assistance**

2. Unsatisfactory housing conditions affect the health and efficiency of workers. The provision of housing for industrial workers including plantation workers has to be regarded an essential part of the programme of industrial development in the country as it has a direct bearing on industrial production. The need for increasing production in the present state of the country's economy can hardly be over emphasised. There is, therefore, a case for an increase in the tempo of housing activity for industrial workers which will help in industrial production and it is essential that efforts should be made to ensure that so far as the plantation industry is concerned, the 8 per cent target is adhered to as far as possible. Any reduction of the target will be unpopular with the workers. They have time and again stressed that the housing programme should be completed expeditiously. In this connection, it may be mentioned that it was also agreed to at the 9th Session of the Industrial Committee on Plantations that whereas exemptions might be allowed to particular gardens from the statutory provisions relating to the phased programme of housing, there should be no general relaxation applicable to all. The financial condition of the industry is, however, such that in some cases the employers will not be able to provide houses for 8 per cent of the workers every year without financial assistance from Government. There is consequently a need for improving the existing loan facilities and devising other measures to provide financial assistance to the planters.

#### **Pool Guarantee Fund**

3. As explained in Chapter II, the progress of the Plantation Labour Housing Scheme which is one of the sources under which loans can be obtained by needy planters has been unsatisfactory mainly because of the inability of the planters to furnish the security prescribed by the State

Governments for loans advanced under the Scheme. To overcome this difficulty it was decided in 1960 that each State Government implementing the Scheme should set up a Pool Guarantee Fund which would serve as collateral security against any bad debts that the State Governments might incur as a result of relaxing the security conditions. The States were advised to charge from the planters for the loans granted to them under the Scheme additional interest at half per cent per annum over and above the rate payable by them to the Central Government. The resultant realisations, together with interest earned thereon from year to year, would constitute the Pool Guarantee Fund. Losses in excess of the accumulation in the fund, if any, would be shared equally by the Government of India, the State Government and the Commodity Board (*i.e.* Tea, Coffee and Rubber Boards) concerned.

Since there was no tangible progress in the States in drawing up the detailed rules for the administration of the Fund, the Ministry of Works, Housing and Rehabilitation drew up a set of model rules in consultation with the Comptroller and Auditor General of India and communicated them to the States in January 1962, for adoption with such changes as they thought necessary. According to available information, only the Governments of Assam, Kerala and West Bengal are taking necessary action to finalise the rules in consultation with the various authorities concerned. The Governments of Madras and U.P. are not participating in the Pool Guarantee Fund Scheme whereas the Government of Mysore is reported to be still considering the question of framing rules. Early action is called for on the part of the State Governments concerned in regard to the creation of the Pool Guarantee Fund.

#### **Suggestions for improvement in Plantation Labour Housing Scheme**

4. The following suggestions have been received for improving the Plantation Labour Housing Scheme :

- (i) The security provisions should be relaxed;
- (ii) More funds may be made available to State Governments for advancing loans;
- (iii) Adequate building materials should be allocated to planters;
- (iv) Steps may be taken to overcome planters' apathy towards LIC housing loans and to make the Scheme more popular;
- (v) Government should sanction loans to gardens repayable over a period of 30 years subject to the condition that no repayment is made during the first 2 years of the sanction of the loan and also that if a garden suffers a loss in a particular year, it should not repay the instalment for the year, the period of repayment of 30 years being extended correspondingly;
- (vi) The loans should be sanctioned and made available expeditiously.

### Examination of Suggestions

5. The above suggestions are examined below :—

(i) (a) The setting up of the Pool Guarantee Fund to serve as collateral security against any bad debts that the State Governments may incur as a result of relaxing security conditions as explained in paragraph 8 is one solution of the problem.

(b) In West Bengal, the State Government have allowed annual bank guarantee as security for loans. Under this system, the banks to which the estates are mortgaged guarantee repayment of loans every year. This system has worked fairly well and the progress of implementation of the Plantation Labour Housing Scheme is better in West Bengal as compared to other States. The other State Governments concerned may adopt this system, but it may be mentioned that this system will help good gardens only and it will not perhaps work in the case of smaller and uneconomic gardens.

(c) Where there is a recognised building programme and where the plot numbers upon which houses are to be built can be identified, it should not be difficult for the banks to agree in writing that the particular plots, notwithstanding the hypothecation of the estates as a whole, should be excluded, so that the plots may be mortgaged together with the houses built thereon as security for repayment of loans under the Plantation Labour Housing Scheme. The Indian Tea Association has already had some correspondence with the State Bank of India regarding the availability of loans on the mortgage of an identifiable area of land and units of houses. The State\* Bank Authorities are prepared to consider the requests of their tea garden borrowers for releases of plots of land from their security for this purpose. The Government of Assam are however, of the view that the lands of the gardens in the State are covered by single Grants and that when a garden is mortgaged, the entire Grant stands mortgaged and it is not possible to demarcate and differentiate the portion of the land utilised for building the houses.

In this connection it may be stated that mortgage or deposit of title deeds by a planter in favour of a bank is complete transfer and takes effect against any mortgage

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\*Extract from the letter dated 28-1-64 from the State Bank of India, Calcutta.

“We are prepared to consider the requests of our tea garden borrowers for releases of plots of land from our security for the purpose in view; each case will, however, be considered on merits.”

deed subsequently executed and registered relating to the same property. It would, therefore, be necessary for the banker to execute a proper release deed to enable the planter to mortgage the plots to the State Governments. There should not be any objection from the State Governments to the adoption of this procedure. Since the plots covered by the release deed would be mortgaged to the State Governments for the period of repayment of loan extending up to 30 years, it would imply that these plots could not be hypothecated to the Banks at the beginning of the next crop year. The parties will have to enter into a proper agreement separately, excluding the proposed plots, at the time of depositing the title deeds with their bankers.

- (ii) The amounts so far spent in various States under the Plantation Labour Housing Scheme do not warrant any increase in the provision for the Scheme. However, with the relaxation of security provisions, the response from employers may improve and it may be necessary to provide more funds for the Plantation Labour Housing Scheme. Additional funds as offered by LIC are also available for grant of loans to planters.
- (iii) It is necessary that arrangements should be made by the Central and State Governments for supply of adequate quantities of building materials like cement, iron etc. Many of the estates which have replied to the Questionnaire have mentioned inadequate supply of building materials as one of the reasons for default in implementing the housing programme as after the construction has been taken in hand, if materials are not available, labour has to be disbanded, capital is locked infructuously and it will increase the cost of construction.
- (iv) Interest is charged at a rate higher by  $\frac{1}{2}$  per cent on the loans available from the LIC funds. It may not be practicable to equate the rate of interest on loans received out of LIC funds and Government funds.
- (v) The proposal is that long term loans may be provided to cover the entire expenditure on labour housing. It will not be practicable for all employers to take the entire amount required for constructing workers' houses as loan, even if interest is charged at a slightly lower rate. There are a number of gardens which will not be able to implement the Housing Programme if loan assistance alone is provided. The grant of loan implies its repayment with interest. The financial condition of tea gardens in Cachar, Tripura and Punjab particularly and small coffee and rubber gardens is such that the provision of loan assistance

alone will not enable them to construct houses. There are economically weak\* gardens in other areas although all gardens in those areas may not be uneconomic. Moreover, the funds required for constructing the remaining houses to the tune of Rs. 87.66\* crores are not likely to be available from the Industry's own resources over the next few years as loans will have to be repaid. It will also not be administratively convenient to evolve a number of schemes for providing financial assistance to gardens. It will be better if such assistance is provided under one scheme only applicable to all gardens. There may be gardens which can implement the Housing Programme if loan assistance is provided but it will be difficult to lay down any hard and fast criteria for this purpose. A garden making profit one year may incur a loss next year and it will be difficult to classify the gardens into any specified categories viz. gardens which can implement the housing programme without assistance from Government, gardens which can implement the housing programme with loan assistance from Government and gardens which need assistance in other forms to implement the housing programme.

- (vi) Administrative delays in sanctioning loans should be avoided and the amounts sanctioned made available as expeditiously as possible. Certain specific instances of delay were brought to the notice of the Working Group. In one case, the loan applied for in 1959 was sanctioned in July 1960. The first and the second instalment was received in March 1961 while the last instalment was received in March 1962. The company applied for a 2nd ~~loan~~ in July 1960 but it was sanctioned in March, 1963. In another case, a loan was applied for in July 1960 but it was sanctioned in January 1963. It is desirable that loans should be sanctioned and made available as quickly as possible so that the construction may not be held up.

#### **Modification of Plantation Labour Housing Scheme**

6. The progress of implementation of the Plantation Labour Housing Scheme has been unsatisfactory. If the security conditions are relaxed, there may be better response from employers but as already mentioned above, the grant of mere loan assistance would not help in completion of the Housing Programme within a reasonable period. It is necessary to provide assistance in the form of subsidy to the Plantation Industry as in the case of other industries. The Plantation Labour Housing Scheme provides at present for grant of loans to the extent of 80 per cent of the cost of houses. This scheme may be modified to provide for grant of subsidy to the extent of 25 per cent

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\*According to Revised Estimate, this figure would amount to Rs. 87.57 crores—cf. footnote in Appendix I.

of the cost and the grant of loans to the extent of 50 per cent of the cost, on the lines of the Subsidised Industrial Housing Scheme.

### **Grant of subsidy to Planters**

7. The Subsidised Industrial Housing Scheme does not apply to plantation industry except in the case of factories situated in plantations. For construction of houses for workers employed in factories (including those situated in plantations) which satisfy the definition of "Worker" as given in the Factories Act, the employer can obtain financial assistance under the Subsidised Industrial Housing Scheme. The Plantations Labour Act, 1951 does not, however, apply to workers employed in factories situated in plantations and as such, it is not obligatory for the planters to provide housing accommodation for these workers. The Subsidised Industrial Housing Scheme is also not a compulsory scheme and it is open to the employer to obtain assistance thereunder or not. Moreover, the number of workers employed in factories situated in plantations is small as compared to the number of workers employed on field work and the two categories of workers are interchangeable. The working of the Scheme, is, therefore, not satisfactory even for factory workers in plantations. No assistance is available under the Subsidised Industrial Housing Scheme for construction of houses for the bulk of workers under a company who may be employed on field work in plantations. The view originally taken was that no subsidy could appropriately be given for fulfilment of a statutory obligation. It may be stated in this connection that the obligation in regard to housing had to be laid down statutorily because of the very nature of the industry and of the lack of alternative residential accommodation in the case of most plantations. It was based on the necessity of the situation rather than on financial considerations such as the profitability of the industry or its ability to provide houses without external aid. It can therefore be argued that since a statutory obligation has been placed on this industry, that should be all the greater reason why State aid should be given to the Industry. Other reasons in support of the grant of subsidy to the plantation industry are that it is a valuable foreign exchange earner and no rent is charged from workers for the houses provided to them. The employers have all along complained that the plantation industry should not be discriminated against in the matter of grant of subsidy. In the light of the position explained above, there is a strong case for grant of subsidy to the planters for construction of workers' houses as in the case of other industries.

### **Analogy of Dock Labour Housing Scheme**

8. Apart from the Subsidised Industrial Housing Scheme, it has been decided that subsidy of 20 per cent of the total cost of houses, (in addition to about 35 per cent loan) should be allowed for providing houses to dock labour. This decision was based on the consideration that the Dock Labour Board's had considerable provident and welfare funds which could be in-



vested in Government securities to raise additional funds and thus provide a justification for extending the subsidy (and loan) to the dock labour. Except in Assam, where a State Provident Fund Act is in force, the plantation workers are already members of the Central Provident Fund Scheme. The Working Group has been given to understand that the provident fund in respect of tea garden workers in Assam is almost entirely invested in Central Government securities. The argument therefore that the other industries are covered by the Employees' Provident Funds Act and that the provident fund investments are in Government securities is also by and large true of the plantation industry.

**Should subsidy be not allowed as land for housing is available free of cost in plantations**

9. It has also been pointed out that the case for grant of subsidy to the plantation industry is not so strong as compared to other industries since land is available free of cost for construction of workers' houses. It may be mentioned that although land is available free of cost for construction of workers' houses, the plantation industry has to provide free of cost, medical facilities according to prescribed standards for workers and their families, recreational facilities for workers, educational facilities for their children, subsidised food items, firewood etc. and weather amenities for workers which are not statutorily provided by many of the industries which have been allowed the benefit of a subsidy and loan for construction of workers' houses.

**Views of States**

10. The State Housing Ministers' Conference held at Bombay on the 4th and 5th February, 1963 has also recommended that the Central Government should subsidise the Housing Schemes for the plantation labour on the lines of the Subsidised Industrial Housing Scheme. The recommendation is reproduced below :—

"It was explained that a Working Group had been appointed by the Ministry of Labour & Employment for examining the housing conditions of the plantation labour. The meeting felt that the Central Government should also subsidize the housing schemes for the plantation labour on the lines of the Subsidised Industrial Housing Scheme. It was agreed that this recommendation would be brought to the notice of the Working Group."

Most of the State Governments concerned have also in their replies to the Questionnaire suggested that 25 per cent subsidy should be allowed as under the Subsidised Industrial Housing Scheme.

**Views of Workers**

11. The I.N.T.U.C. has intimated that the extension of the Subsidised Industrial Housing Scheme to the Plantation Industry may be considered favourably. The Hind Mazdoor Sabha has no objection to the grant of subsidy to planters for construction of workers' houses. The U.T.U.C. has made no comments while the A.I.T.U.C. has suggested that Government should

itself take over the construction of houses and levy a cess on plantations to finance the construction.

#### **Pattern of Assistance**

12. The financial assistance allowed under the Subsidised Industrial Housing Scheme is 25 per cent subsidy and 50 per cent loan. The Group considers that the same may be allowed in the case of the plantation industry.

#### **Amendment of Plantations Labour Housing Scheme**

13. It will be necessary to amend suitably the Plantations Labour Housing Scheme for granting subsidy and loan to planters as suggested above since it will be difficult to bring the plantation industry within the purview of the Subsidised Industrial Housing Scheme. This Scheme applies at present to factory industries only and the total provision made in the 3rd Five Year Plan on account of the Scheme viz. 25 crores would be too meagre to enable extension of the scope of the Scheme to the plantation industry.

#### **Whether subsidy be allowed to all plantations**

14. A point which arises for consideration in this connection is whether the subsidy may be allowed to all plantations irrespective of their financial condition or to such plantations only as are weak economically. It is felt that all plantations may be allowed the benefit of subsidy irrespective of the fact that they have made profits or not and are in a position to construct houses without financial assistance from Government. This will be in keeping with the practice followed under the Subsidised Industrial Housing Scheme. So far as weak gardens are concerned, the subsidy will enable them to provide houses for workers. In the case of other gardens, subsidy will be a sort of assistance from Government in the provision of houses for plantation workers. The plantation industry earns foreign exchange and pays a number of taxes. It will not be unjustified for Government to help in the construction of houses for workers, particularly when similar assistance is being given to other industries. The planters will otherwise again complain of discrimination and it will also tantamount to penalising good employers who have been providing houses for workers and may continue doing so if the benefit of subsidy is denied to them.

A suggestion was made in this connection that the subsidy should be more in the form of an incentive so that those who constructed 8 per cent or more houses should get the subsidy. It was, however, pointed out that economically weak gardens which could not fulfil the target should not be kept out of the ambit of subsidy as otherwise few houses would be constructed and the workers would suffer. The Group therefore, feels that subsidy should be given to all gardens and for each unit of construction, i.e., irrespective of the fact that the number of houses constructed in a year is more or less than 8 per cent of the resident families.

**Need to ensure that financial burden on the Industry does not increase too much**

15. The need for grant of subsidy has mainly arisen in the context of the financial condition of the plantation industry and its inability to construct workers' houses according to the approved schedule. It is thus necessary to ensure that sufficient funds continue to be available for labour housing. There does not appear to be at present sufficient coordination between the Central and the State Governments in the matter of levy of taxes on the plantation industry. It happens that fresh taxes are levied by State Governments in some cases without assessing their effect on the industry generally and its capacity to construct houses for labourers in particular. It is considered imperative that the financial burden on planters should not continue to grow correspondingly at least during the period it takes the housing programme to be completed, a matter of, let us say, another 8 to 10 years, otherwise the proposed grant of subsidy to them may be nullified and they may not be able to implement the housing programme even after getting the subsidy. It is equally important that the State Governments should not also revise the standards and specifications for construction of workers' houses in a way that will increase the cost of construction considerably. The Group commends for the consideration of State Governments the suggestion received in this connection that houses once built according to specifications should continue to be treated as "Standard" houses for the rest of their life.

The UPASI has brought to the notice of the Working Group that the village Panchayats levy a house tax on the houses built under the Plantations Labour Act although they have not to provide the civic amenities normally expected of them. The houses provided to workers in plantations are rent free and owing to their location in plantations, these buildings have no rental value and are of no use except to the workers in the plantations but the Panchayats are reported to have been fixing and revising rental valuations for house tax purposes on an unrealistic basis. It has been further intimated by the UPASI that the Panchayats are also collecting large sums from plantations by way of land cess, vehicle tax, licence fees, profession tax etc. but no part of these taxes is normally spent in the plantation areas. In these areas, amenities such as drinking water, conservancy and medical and educational services are provided by the employers under the Plantations Labour Act. In addition, creches and recreational facilities are also provided by the employers and these facilities are enjoyed not only by the workers but also by their dependents. The roads, lights etc. in the plantation areas are provided and maintained by the employers and as such, the Panchayats do not normally provide any of the civic amenities in these areas. The Working Group, therefore, recommends that the houses built under Plantations Labour Act should be exempted from the levy of the house tax by Panchayats, to avoid enhancement of the existing financial burden on the planters.

## CHAPTER IV

### *Request of the Plantation Industry for Grant of 100 per cent Rebate for Income Tax in Respect of Expenditure Incurred on Construction of Houses for Labour*

#### **Existing practice in regard to grant of Rebate**

The normal depreciation allowance under Section 32 of the Income-tax Act 1961 as prescribed by Rule 5 read with Part I of Appendix of the Income Tax Rules, 1962, is as follows :—

- |                                                                                                                                   |      |                                                                                                                                                                                 |
|-----------------------------------------------------------------------------------------------------------------------------------|------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (a) 1st class (i.e. "substantial buildings of selected materials").                                                               | 2.5% | } Double these numbers will be taken for factory building, excluding offices, godowns, officers and employees quarters.<br>(“Renewals will be allowed as revenue expenditure”). |
| (b) 2nd class (i.e. "buildings of less substantial construction").                                                                | 5.0% |                                                                                                                                                                                 |
| (c) 3rd class (i.e. "buildings of construction inferior to the 2nd class buildings but not including purely temporary erections") | 7.5% |                                                                                                                                                                                 |
| (d) "Purely temporary erections such as wooden structures."                                                                       |      |                                                                                                                                                                                 |

Section 32(1) (iv) of Income Tax Act 1961 provides further income-tax relief in respect of residential properties. Under the Act, for buildings newly erected after the 31st March, 1961, which are used solely for the purpose of residence of persons drawing remuneration not exceeding Rs. 200 per mensem, or where the building is solely or mainly used for the welfare of such persons as a hospital, creche, school, canteen, library, recreational centre, shelter rest room or lunch-room a sum equal to 20 per cent of the actual cost of the building is now allowed to the assessee as rebate in respect of the previous year of erection of the building. This 20 per cent rebate is in addition to the normal depreciation of 7.5 per cent allowed each year. In other words even under the existing arrangements, planters are entitled to 100 per cent depreciation i.e. 27.5 per cent in the first year and 7.5 per cent annually in subsequent years.

#### **Demand of the Plantation Industry for allowing 100 per cent rebate in the first year**

2. The contention of the plantation industry is that as Government have imposed a statutory obligation on them to provide housing accommodation free of rent to plantation labour it is reasonable to expect Government to provide every possible facility in the attainment of this obligation. They have argued that the obligation to build a certain number of houses each year is peculiar to the plantation industry and that since these houses do not yield any income to them in the form of rent etc. the expenditure incurred on building houses should be treated as revenue expenditure and charged in the year in which the houses are built. According to the plantation industry the total cost of labour housing when completed will exceed the original investment capital of many old companies and will form about 35 per cent of the value

of the fixed assets of the average plantation companies. Consequently they feel that if sufficient encouragement is to be given for building houses the right to charge the cost to revenue will be a fair one. Their contention is that charging the cost of construction of houses to revenue would not mean that the employer does not pay for the housing because even charging the cost to revenue will reduce the net profit by the amount charged to revenue while the Government would not be a loser by this arrangement since any deflation caused in the gross profits in the first year would be made up during subsequent years. The plantation industry has, therefore, requested that 100 per cent rebate in respect of expenditure incurred on housing should be allowed during the year in which the expenditure is incurred, as the grant of this concession would enable the plantation companies to charge the full cost of houses to the year in which they are built instead of seeking annual depreciation allowance over a period of several years. As a result according to the tea industry, the problem of financing the cost of building houses would become less difficult and the progress of construction would be accordingly quicker.

#### **Reaction of the State Governments**

3. The demand of the plantation industry for treating the expenditure incurred on labour housing as chargeable to revenue account and the grant of 100 per cent income-tax rebate in the first year has been supported by most of the State Governments. In fact a number of State Governments are at present also allowing rebate in respect of expenditure incurred on housing while assessing agricultural income-tax. The rebate allowed for this purpose by the various State Governments is as follows :

Madras 20 per cent

Mysore 20 per cent

Kerala 7.5 per cent

Another State Government is also inclined to allow rebate while assessing agricultural income-tax.

#### **Reaction of Labour Associations**

4. The reaction of the representatives of labour to the demand of the plantation industry for grant of 100 per cent income-tax rebate on the expenditure incurred on labour housing is that this expenditure should not be charged to revenue if this is to affect in any manner the grant of bonus to labour. On this point the plantation industry has, however, argued that while a massive housing programme is to be undertaken it is only reasonable that those for whom the requisite housing accommodation is being provided should be ready to receive less cash just as the share holders would receive less in dividends. Their view is that if a benefit of permanent value like housing has to be provided by the employer at some sacrifice to himself there should be some corresponding sacrifice of bonus by the employees until the housing programme is completed.

## Conclusion

5. Rebate is generally allowed on the expenditure incurred by the industry from the revenue account or labour welfare measures. For instance, income-tax rebate is allowed to the employers on their contributions to the provident fund. Again in the case of Consumer Cooperative Societies, it has been decided to grant income-tax rebate on the managerial subsidy provided by the employers. Apart from these considerations, the construction of houses by the plantation industry for labour does not yield any revenue to them in the form of rent etc. and unlike other industries, it is an obligation imposed on them statutorily. There is consequently considerable force in the demand of the industry that the expenditure incurred by them on labour housing should not be treated as capital expenditure and that they should be permitted to charge it to revenue account. Taking into account all these circumstances, it is felt that there is a very strong case for providing some relief to the plantation industry by allowing them higher rates of depreciation allowance than are admissible at present, in respect of expenditure incurred on provision of houses constructed according to approved standards for labour.

A reasonable approach to the problem would be to correlate the rate of depreciation allowance to the type of house constructed so that the amortization period during which it is fully written off coincides with the life of the house. Broadly speaking, the planters are undertaking construction of three types of houses, all of which are either third class or purely temporary structure according to income-tax classification viz. pucca, semi-pucca and, kutchia. It will, therefore, be appropriate to lay down different rates of depreciation allowance for these three types. Taking into account the present financial position of the plantation industry and the fact that this is the only industry in the country on whom a statutory obligation has been imposed by Government for provision of rent free accommodation of the standard type to its workers, the Working Group recommends the following rates of depreciation allowances for the three types mentioned above :—

- (a) *Pucca type*.—The present practice provides for a normal depreciation allowance of 7.5 per cent per annum plus a special rate of 20 per cent depreciation allowance during the first year. This gives an amortization period of about 21 years (as evident from Appendix XI) which coincides with the life of a pucca house. In other words, the Working Group feels that so far as pucca houses are concerned, the rate of depreciation allowance admissible at present need not be revised.
- (b) *Semi-pucca type*.—For houses of this type, the Working Group recommends that the present normal annual depreciation rate of 7.5 per cent per annum should stand, and that the special depreciation allowance allowed during the first year should be raised

from 20 per cent to 40 per cent. By this increase in the special depreciation allowance during the first year, the amortization period will be twelve years (cf. Appendix XI) which will correspond more or less to the life of a semi-pucca type house.

- (c) *Kutchha-type*.—The life of a kutchha type house, taking into account the climatic conditions prevailing in the plantation areas, should be taken as only three years. The Working Group recommends that for houses of this type, the following rates of depreciation allowance should be adopted :—

Normal annual depreciation allowance—	25 per cent
Special depreciation allowance during the first year—	40 per cent

This would be analogous to the present provision of allowing depreciation on the expenditure on cinematograph films over a period of three years. We have in mind new erections conforming to the standards prescribed by the State Governments.

Even where houses of Kutchha type conform to specified standards in plantations, they could be deemed only as “purely temporary erections”. As such, the expenditure incurred on their renewal will normally be allowed as revenue expenditure and will qualify for 100 per cent depreciation allowance for purpose of income-tax rebate *vide* item (d) in paragraph 1 above. The Working Group recommends that the concession to charge the expenditure to revenue should be allowed in cases of renewal of all kutchha type houses conforming to the approved standards as prescribed by the State Governments concerned.

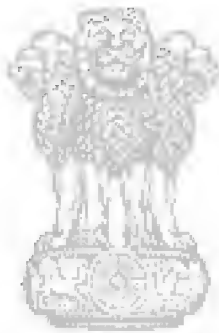
6. By the adoption of these rates the amortization period (cf. Appendix XI) in respect of houses of this type will correspond to the life of such houses. These revised rates will not entail in the long run any loss of revenue to Government.

7. The Working Group also recommends that the grant of income-tax rebate at higher rates as suggested above should not affect in any manner the quantum of bonus payable to plantation labour, since if labour is to help increase production it should be provided with essential amenities like housing. The Working Group are of the view that the individual plantation labourer today is not in a position to make some sacrifice of bonus to help the housing programme.

8. As briefly mentioned earlier, under Section 4(i) of the Madras Agricultural Income Tax Plantation Rules special depreciation allowance of 20 per cent is allowed as a reduction in respect of buildings constructed after 31-3-61 for the use of employees drawing a remuneration not exceeding Rs. 200 per mensem. A similar concession is allowed by the Mysore

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Government. The Kerala Government is also allowing a rebate of 7.5 per cent for purposes of assessing agricultural income-tax. The Working Group recommends that all States Governments should allow rebate for assessment of agricultural income-tax and that such rebate should be allowed on the same rates as have been recommended in paragraph 5 above for purposes of assessing Central Income Tax.



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## CHAPTER V

### *Whether the Annual Rate of Construction of Houses for Plantation Labour as prescribed under the Plantations Labour Rules should be modified*

#### **Circumstances leading to the fixation of the 8% target**

As stated earlier the present statutory target for construction of houses for plantation labour at the rate of 8% of resident workers per annum was evolved in 1950 as a result of discussions at the Third Session of the Industrial Committee on Plantations held on the 4th and 5th November, 1950 at which the entire question of housing for plantation workers was considered. The eight per cent target was not imposed arbitrarily on the plantation industry; this figure represented the rate at which the industry was, by and large, voluntarily constructing houses for its resident workers at that time. The agreement regarding the rate of construction was incorporated first in the Model Rules prepared by the Central Government in September, 1954 under the Plantations Labour Act and subsequently in the State Rules prepared by the various State Governments. The Model Rules were discussed at various tripartite meetings before they were finalised. The State Rules were promulgated in 1956-57 after prior publication so as to give a chance to the plantation industry to raise objections, if any. Before the Plantations Labour Rules were finalised by the various State Governments, the industry was therefore, given full opportunity to protest against the requirement of construction of houses at the rate of 8 per cent of resident workers per annum if this target was considered incapable of achievement in the circumstances prevailing at that time.

#### **Change in Circumstances**

2. The figure of 8 per cent was considered appropriate assuming that the conditions did not change.\* The point made by the plantation industry in various representations submitted by them from time to time and also in replies to the Questionnaires issued by the Working Group is that the conditions *have* considerably changed since the target of 8% was laid down inasmuch as taxation levied by the Central and State Governments has

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RELEVANT EXTRACTS FROM THE SUMMARY OF PROCEEDINGS OF THE  
THIRD SESSION OF THE INDUSTRIAL COMMITTEE ON PLANTATIONS.

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\*Mr. Llewellyn informed the house that they hoped to carry out 8% of the total programme of housing in 1950. If they could carry on at the present rate they would have finished in 12 or 15 years. He, however, emphasised that the over-riding factor was

considerably increased, the wage bill has gone up and the cost of construction has been showing an upward trend. The plantation industry has argued that if a target is to be set, it must be a reasonable one at the time it is fixed and that the circumstances must not change materially. This, according to the industry, would mean a taxation freeze, a wage freeze and stability in respect of specifications etc.—conditions which obviously cannot remain stable for long in a changing economy. The planters have further stated that they are finding it a problem even to get finance for cultivation of tea, that money is required, apart from being expended on other essential items, on re-plantation and on renewal of machinery. They have built up their case by arguing that the economic conditions of the industry were substantially different at the time 8 per cent target was laid down, that agricultural income-tax had not begun to be levied, that central income-tax was lower, that the impact of the weight and variety of subsequent direct and indirect taxation on the cost of production had not been felt and that the industry was previously protected by the contracts awarded by the Ministry of Food and Agriculture. Their contention is that the resources available for diversion at an 8% construction rate in 1951 cannot by any means be assumed to be in existence now.

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finance. Uniform progress might not be possible every year, if prices of tea fall or if they were to provide other amenities to labour. He felt that Government should come forward to help those estates whose finances did not permit them to cope with the general pace of progress. He was not asking for grants in aid but for assistance through a loan at the highest rates charged by Government.

*Shri Menon* was glad to hear that they agreed to an interest bearing loan.

*Mr. Llewellyn* pointed out in reply to *Shri Tripathi's* suggestion that the raising of further finance by the Companies would not be an easy matter. In reply to an enquiry from *Shri Menon*, he informed the house that the total cost involved approximately per annum with the present 8 per cent programme was about Rs. 47,50,000.

*Shri Menon* thought that a programme should be evolved. He suggested that assuming that conditions did not change it should be on the basis of providing houses for at least 8 per cent of the labour population every year.

*Shri Ghosh* said that on the basis of 8 per cent they would require Rs. 57 lakhs per year.

*The Chairman* wanted to know how 8% of the I.T.P.A.'s programme could cost 57 lakhs when the same percentage for the Indian Tea Association which represented about 80% of the estates cost only Rs. 47,50,000.

*Mr. Hards* explained that 25 to 33% of the Indian Tea Association's houses were pucca and the other Kutcha.

*The Chairman* said that the same applied to all. He thought they could build Kutcha houses to specification and when they had sufficient money they could build pucca houses.

### **Enforcement of the Provision in the Plantations Labour Rules Regarding construction of houses according to the 8% target**

3. There seems to have been a general realisation of the difficulties in regard to availability of adequate funds to the plantation industry for construction of houses according to the statutory target of 8% of resident workers per annum. This will be evident from the fact that the enforcement of the statutory provision regarding the fulfilment of the target in the various States has not been quite rigid. For instance in Tripura, Uttar Pradesh, and Punjab no prosecutions were launched till last year for non-fulfilment of the housing target. In West Bengal, although there had been a shortfall of about 60% in the construction of houses of approved standards up to 1962, managements of two gardens only were prosecuted, convicted and fined for not complying with the provisions of the Plantations Labour Act, while 18 tea estates were granted exemption on financial grounds under rule 47 of the West Bengal Plantations Labour Rules. In Assam, where there is a shortfall of about 48%, only 14 employers have been prosecuted since 1958 for non-compliance with the relevant provisions of the Plantations Labour Rules. Although the Assam Government did not grant any formal exemption, the difficulties faced by employers were given due consideration by them and the policy pursued in that State has been one of persuasion rather than of coercion and employers who agreed to implement the housing programme or those who were handicapped due to lack of resources have in actual practice enjoyed exemption. In Madras only 11 employers have been prosecuted since 1957. In Kerala only 38 managements have been prosecuted so far and aggregate fine realised amounted to Rs. 530 which gives an average fine of Rs. 14 for each management prosecuted. This shows that the State Governments have taken full cognizance of the financial difficulties faced by the Plantation Industry and have been pursuing a realistic policy in the matter of launching prosecutions against defaulting employers. Such a situation is not without its irony!

### **Proposal of the plantation industry for a reduction of the 8% target**

4. The plantation industry has suggested that the number of houses that can be constructed each year should be related to the profitability of the industry. The Indian Tea Planters Association have stated that if the industry can earn big profits as it had done in 1954, it would be able to earmark funds and do more construction in a particular year than is normally possible. If on the other hand, in a particular year there is no profit or inadequate profit or a loss, no funds for construction of houses can be found. They have also argued that while insisting on the fulfilment of the statutory obligation for the construction of houses a fair return on working and invested capital should be provided for and that if any surplus is left over after meeting other essential expenditure that should be diverted to the construction of houses for labour.

The Indian Tea Planters Association have also suggested that the rate of variation of the 8% target for construction of houses should be in inverse

ratio to the rate of increase in cost of construction per unit. For instance, according to their argument, if the cost of construction was Rs. 1,000 per unit ten years ago and the present construction cost is Rs. 3,000 per unit, then the target of 8 per cent should be reduced to 2.7 per cent irrespective of any other consideration. A similar suggestion has also been made by Indian Tea Association.

The United Planters Association of Southern India have expressed the opinion that there should be no fixed statutory target as no fixed annual surplus can be vouchsafed to the industry. According to this view it would be more appropriate to fix eight years or the end of 1971 as the period in which the housing programme should be completed so that every producer could spread his plan according to the availability of funds with him from time to time. The Tea Association of India have suggested that there should be no statutory target for construction of houses. According to them, 8% of the houses may be constructed if there are sufficient funds for the purpose; otherwise, 10% of the current profit of the tea estate after providing for taxation should be spent on constructing houses every year provided there is no carry forward of losses from previous years.

Most of the Planters' associations have suggested a reduction of the target so far as uneconomic gardens are concerned.

#### **Reaction of workers' Associations**

5. The workers are generally not in favour of any reduction in the housing target. According to their view, barring uneconomic gardens, it is not possible to accept the contention that the inability of the plantation industry to adhere to the construction programme is solely attributable to financial difficulties. Their argument is that if they are to work for increased production they should have basic amenities like housing accommodation.

#### **Reaction of State Governments**

6. The State Governments are generally not in favour of any reduction in the statutory target of 8 per cent. Governments of Assam, Madras and Kerala feel that there is no need to reduce the rate of construction. The Government of West Bengal has suggested that the programme should be spread over a period of 25 years instead of 12 years as at present. The Government of Uttar Pradesh has, on the other hand, suggested that the rate should be revised from 5 per cent to 10 per cent without any distinction between economic and uneconomic gardens. The Tripura Administration has recommended that the rate may be 4 per cent for uneconomic gardens.

#### **Uneconomic Gardens**

7. The term 'uneconomic garden' has been defined in several ways, depending on whether the economy of a garden should be related to its profitability or production or size. Taking into account the profitability of the gardens, the United Planters Association of Southern India have

suggested that an estate which is not capable of giving 7% return on the total capital employed should be treated as uneconomic. The Punjab Government have suggested that tea gardens which earn less than 4% profit should be considered as uneconomic. According to the Government of West Bengal gardens running at a loss continuously for five years may be taken as uneconomic. The Tripura Administration have proposed that estates producing less than 9 maunds per acre (in the case of tea industry) would be considered as uneconomic. The Government of Uttar Pradesh is of the view that gardens having less than 100 acres of land or employing less than 50 persons may be taken as uneconomic.

For its purposes the working group does not propose to lay down any hard and fast definition of the term 'uneconomic garden'. So far as the question of financial capacity for the purpose of construction of houses for workers according to the prescribed target is concerned, it will suffice if gardens with a very meagre margin of profit or no profit or those incurring losses could be called uneconomic.

#### **Suggestion for payment of house rent allowance to Plantation Labour**

8. The I.N.T.U.C. and the H.M.S. have suggested that in order to make the planters complete the housing programme within a reasonable period, there should be some sort of compulsion on the planters. According to them one effective form of such compulsion would be to require the planters to pay house rent allowance to such of workers as cannot be provided housing accommodation of the approved standards. As the non-fulfilment of the housing programme is attributable in a large measure to financial difficulties, the Working Group feels that the adoption of such a suggestion would tend to be a punitive measure and would impede the progress of construction of houses inasmuch as the funds which could more appropriately be utilized for putting up houses for labour would be diverted to the grant of house rent to plantation workers.

9. The Working Group has considered very carefully the various conflicting views expressed by the plantation industry, workers' organizations and State Governments on the question of reduction of the existing target for construction of workers' houses at the rate of 8 per cent per annum. While the argument of the plantation industry that on account of increased taxation, increased wages and increased cost of construction, the conditions prevailing in 1950 no longer hold good is substantially correct, the fact remains that in some States *viz.* Madras, Kerala and Mysore the construction of houses has proceeded almost according to the fixed target. In Assam and West Bengal also the performance of Sterling Companies generally

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#### **The relevant views are produced below :—**

- 1 U.P.A.S.I. :—An uneconomic garden is not necessarily a loss making one, but vulnerable by the smallest change in price or yield. Since most units in this industry have capital at work for in excess of the share capital any unit not capable of giving 7 per cent on the total capital employed should be treated as uneconomic.

compares favourably with the prescribed target. Consequently there is no justification for a general wholesale reduction in the target of 8 per cent.

Some relief is, no doubt, indicated in the case of uneconomic gardens. Relief may also have to be provided in certain years to other gardens which, though not necessarily uneconomic, may not in a particular year, for reasons beyond their control, be able to find the requisite funds for putting up workers' houses after meeting other inescapable requirements. The case of such estates could be considered by the State Governments on merits and exemptions from the fulfilment of the housing target for particular years sanctioned by them. Before granting exemptions in such cases, the State Governments will, however, make sure after taking into account all relevant factors that the estates which apply for exemption are incapable of finding requisite funds for construction of houses according to the 8% target after meeting their other essential commitments. It is understood that in West Bengal, the State Government considers for exemption the cases of estates which have been running at a loss for three years continuously and before granting exemption they get the financial position of the estates checked up through a cost accounts examination. Suitable procedure and machinery can be evolved by the other State Governments on similar lines, for purpose of granting exemption to needy gardens from the fulfilment of the housing target. Care should, however, be taken to ensure that adequate staff is engaged by the State Governments for the purpose so that cases of exemption are dealt with expeditiously and decisions are taken within a reasonable period. The Working Group's experience is that in most of the States the staff handling such matters is hopelessly inadequate.

The Working Group also recommends that if in a particular year, the housing programme cannot be proceeded with according to the fixed target due to the shortage of building materials or similar other reasons, the estates should set aside an appropriate amount out of their net profits for that year for being expended on construction of houses as soon as the position of availability of building materials improves, so that the deficit in the housing programme in a particular year, may be made good in a subsequent year or years.

## CHAPTER VI

### *Housing Cooperatives of Workers*

#### **Working Group on Housing Cooperatives**

The Housing Cooperatives can play an important role in the amelioration of housing conditions in the country. There are two main advantages of Cooperative housing, viz. the beneficiaries can make savings in cost through group action and the planning and construction of houses according to approved standards on a community basis facilitates better community surroundings. The Third Plan also visualises that Cooperation should become progressively the principal basis of organisation in different branches of economic life including house-construction. The Government of India set up in October, 1962, a Working Group on Housing Cooperatives to examine in detail, the development of Co-operative Housing and, among other things, to recommend suitable measures for the organisation of Cooperatives in the field of housing and to suggest specific programmes indicating suitable patterns of financial and other assistance. The Working Group on Housing Cooperatives has recently submitted its Report which is under consideration of Government.

#### **Housing Cooperatives of plantation workers**

2. A statement showing the loan facilities at present available to Housing Cooperatives under the various housing schemes of the Ministry of Works, Housing and Rehabilitation is attached *vide* appendix XII. As evident from item 6 of the statement, the plantation workers are not entitled to any loan facilities, as projects under the Plantation Labour Housing Scheme are executed by the planters.

Since plantation labour is entitled to free accommodation, it makes the concept of plantation labour housing entirely different from that of housing for other industrial labour. If cooperatives of plantation workers are, therefore, to be encouraged to build houses on a cooperative basis, it would be necessary to offer them better incentives than those available to cooperatives of other industrial labour whose employers are under no statutory obligation to build houses for them and who have generally to pay rent for the accommodation provided.

#### **Pattern of financial assistance for Housing Cooperatives of Plantation Workers**

3. A suggestion was made that pattern of financial assistance to housing cooperatives of plantation workers might be as under :—

- (a) The land on which houses are to be constructed should be made available by the planters on a long-term lease basis (with a provision for renewal of the lease by mutual agreement)

according to which the ultimate ownership of the land could continue to vest with the planters.

- (b) As it is obligatory for the planters to provide houses to the resident workers at the employers' cost, the planters should subsidise 50% of the cost of houses and services. Once the houses are constructed, the entire expenditure on their maintenance and repairs will be the responsibility of the Cooperatives of plantation workers. (Only 50% subsidy by the planters is suggested as after the houses have been built the ownership of the houses will vest with the cooperatives and not with the planters. The acceptance of this arrangement will ultimately mean building double the number of houses with the resources available to the planters than can be built at present).
- (c) The remaining 50% of the cost should be met by granting loans to cooperatives by modifying the Plantation Labour Housing Scheme or by introducing an alternative Scheme.
- (d) If it is ultimately decided to grant a Government subsidy for plantation labour housing, the 50% loan from Government referred to under (c) above could be reduced to the extent subsidy is given by Government.

#### **Advantages of construction of houses by Co-operatives of workers**

4. The attraction in the arrangement mentioned above to Housing Co-operatives of plantation workers would be that by paying only a part of the cost, they could get the ownership of the houses. It has been pointed out in this connection that workers have been living within plantations for generations and that the new generations that are coming up would like to drift away from these surroundings, look out for better opportunities and standards and would like to have houses of their own. It has, therefore, been suggested that it might be considered if a Scheme could be worked out when lands could be acquired either by donations from employers or by Government acquisition to build cooperative colonies and the workers helped to own these houses through a system of hire purchase. It has been argued that the construction of houses by Cooperative Societies of workers would have several advantages viz. :—

- (1) The controversy about specifications, cost and availability of materials between Government, employers and labour would cease.
- (2) The employers would be relieved of the problems of housing and connected administration.
- (3) The labourers would own houses and would be relieved of the threat of eviction when dismissed or retired.
- (4) Centralised civic facilities could more easily be provided.



### **Views of the Workers**

5. The proposal to form Cooperative Housing Societies of plantation workers has been supported by the Hind Mazdoor Sabha. The United Trades Union Congress has made no comments in the matter. The INTUC has stated that it will welcome the formation of Cooperatives of workers but considers that it will be difficult for Workers Cooperatives to construct houses as planters will not agree to give land for Co-operative housing. The AITUC has suggested that Government should itself take over the construction of houses and levy a cess on planters to finance the construction. Certain other Unions of Workers have desired that they should be allowed to own their houses in plantations and that Government should acquire public lands adjoining the plantations or a portion of lands within the plantations and help workers in constructing houses through Cooperatives.

### **Views of Employers**

6. The Employers' Organisations are not in favour of the proposal that houses for workers may be constructed by their Cooperative Societies. It has been pointed out that such Societies are not likely to be successful since workers have not yet reached a sufficiently high level of education and responsibility for such an undertaking to succeed. It has been further stated that practical difficulties about administration of the estates would arise if individual workers become owners of houses either by themselves or through their Cooperatives. It has been mentioned in this connection that if the houses are built within the estate property, it would be difficult to deny to the worker the right of occupation beyond the period of his employment in the estate because the ownership of the house will naturally be vested in the worker. According to the employers, this will be a source of unending trouble.

### **Views of the States**

7. Most of the State Governments are of the opinion that the formation of Cooperative Societies by workers may not be feasible in plantations and such societies may not be successful in constructing houses for workers for the following reasons :—

- (1) The present state of backwardness of the workers.
- (2) Unwillingness of the workers to settle down permanently on the Estates as in many cases, they are migrants or outsiders and have their connections with the villages from which they come.

### **Will workers like to settle down permanently in plantations ?**

8. Most of the workers employed in Assam plantations come from outside the State. Under the Tea Districts Emigrant Labour Act, 1932, they have a right of repatriation to their home States, at the cost of employers, on expiry of three years from the date of entry into Assam. The Act also provides that exercise of the right of repatriation can be postponed or waived by mutual agreement with the employers. A large number of workers are

repatriated by the employers on expiry of the period of 3 years or such longer period as may be mutually agreed upon but there is a fair percentage of emigrants who have waived the exercise of the right of repatriation and have settled down in the plantations. In West Bengal, most of the workers do not come from far-off places but belong to neighbouring areas. In Kerala and Mysore, most of the workers are stated to be Tamilians who may not like to settle down permanently on the Estates. In Coffee plantations the main work is in certain seasons and the workers go back to their villages in the slack seasons. It seems that many of the workers would not like to settle down permanently and own houses in plantations. There may, however, be some workers who may like to settle down permanently in plantation areas.

#### **Houses constructed outside plantations**

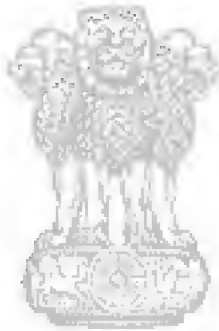
9. If houses are constructed by Cooperative Societies outside the plantations, there will be no objection from the employers as in such cases, the workers will not reside in plantations and thus cease to be entitled to provision of housing accommodation under the Plantations Labour Act. The main difficulty, however, will be in regard to availability of land for construction of houses near the plantations where the workers are employed. No land may be available near the plantations for construction of workers' houses or if it is available, it may be at a distance which may make it inconvenient for the workers to go to the plantation and work there. Cooperatives may, therefore, be tried out only where suitable location is available. Government may either acquire suitable land for this purpose and give it to Workers' Cooperatives or help them in getting suitable land. Assistance as is available under the Subsidised Industrial Housing Scheme to Workers' Cooperatives, i.e., loan to the extent of 65% of cost and subsidy to the extent of 25% may be provided to the Workers' Cooperatives for construction of houses.

#### **Houses constructed within plantations**

10. If houses are constructed within the plantations, it would be difficult to deny to the workers the right of occupation as the ownership of the houses will naturally be vested in the workers. As pointed out by employers, this can be a source of trouble in plantations. The employers are already complaining against the presence of a large number of non-working dependents of workers in plantations for whom they are asked to provide employment. The presence of ex-workers enjoying ownership rights within a plantation would not be liked at all by the employers. It will, therefore, be difficult to acquire land within plantations and get houses constructed there through cooperatives of workers. It may, however, be possible to acquire suitable land at the outer periphery of some plantations where an approach road may be available. In such cases, the planters will not be put to any trouble and they may agree to give land. They may also have no objection to the occupation of the house by a family even after the

retirement of a worker provided at least one member of the family continues to work in the plantation. The Housing Cooperatives may consist of workers employed in more than one plantation and the Group recommends that the pattern of assistance to be provided to the Workers' Co-operatives may be as suggested in paragraph 3 above, *i.e.* :—

- (i) The land on which houses are to be constructed should be made available by the planters on a long term lease basis with a provision for renewal of the lease;
- (ii) The planters should subsidise 50% of the cost of houses and services. Once the houses are constructed, the entire expenditure on their maintenance and repairs will be the responsibility of Cooperatives of Workers;
- (iii) The remaining 50% of the cost should be met by grant of loans and subsidies and share capital raised by the Society.



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## CHAPTER VII

### *Construction of Housing Colonies by Government*

#### **Proposal**

One of the questions in the Questionnaire issued by the Working Group on Plantation Labour Housing was whether Housing Colonies for Plantation workers might be constructed by Government wherever feasible, (as in the case of Coal and Mica Miners) if the planters pay in suitable instalments the entire cost to the Government or the difference between the entire cost and the amount which may be allowed by way of subsidy or loan towards this cost. An allied proposal was that the Government agency which undertakes the construction of houses could raise necessary funds on the lines of the Coal Mines Labour Welfare Fund or Mica Mines Labour Welfare Fund by levying a cess on Tea, Coffee and Rubber. It was also envisaged that contiguous estates might provide land at the outer periphery for the location of Housing Colonies which might cater for several estates and to ensure a better administrative arrangement, it would be appropriate if the ownership of the colonies vested with Government.

#### **Recommendation of Plantation Enquiry Commission**

2. A recommendation for raising a Plantation Labour Welfare Fund by levying a cess was also made by the Plantation Enquiry Commission. That recommendation was not accepted by the Government on the ground that provision had already been made in the Plantations Labour Act to the effect that the employers would themselves provide welfare measures in plantations. Under the Plantations Labour Act, provision of a large variety of welfare measures including housing facilities for workers, is the direct responsibility of employers. Such statutory provisions have been made in pursuance of a recommendation of the Industrial Committee on Plantations that the employers would provide the welfare facilities while the Government would specify the standards for their provision. When the recommendation of the Plantation Enquiry Commission to levy a cess for financing welfare activities in plantations and transfer of the liability to provide welfare measures from employers to a Government agency was considered, an adequate experience of the working of the Plantations Labour Act had not been gained. The experience for the last few years has shown that the Housing Programme is lagging far behind the schedule. The planters have been persistently complaining about inadequacy of financial resources to complete the housing programme. It has, therefore, been suggested that the proposal for constituting a Plantation Labour Welfare Fund by levy of a cess on Tea, Coffee and Rubber may be reconsidered. The cess if levied will cover not only housing but all other welfare facilities which are at present required to be provided by the planters to their workers.

### **Advantages of the proposed construction of houses by a Government agency**

3. It has been stated in this connection that a levy of cess of 5 nP. per pound on Tea would raise Rs. 4 crores annually and that the proposal would have the following advantages, apart from ensuring expeditious provision of housing and other facilities to workers in plantations :—

- (a) It will be possible for Government to plan the lay-out of Housing Colonies efficiently with suitable provision for hospitals, schools etc.
- (b) Houses can be constructed according to standards and specifications.
- (c) Building materials can be procured in bulk at Governmental level.

### **Views of State Governments**

4. The Governments of West Bengal, Madras, Mysore and Punjab have not supported the proposal for construction of workers' houses by a Government agency. The Government of Madras are of the opinion that it is not necessary for Government to undertake construction of workers' houses in view of the statutory obligation imposed on employers and the progress already made in the matter while others consider that the proposal is not feasible for the following reasons :—

- (i) Land is scattered in plantations and it is difficult to get a compact plot of land for construction of Housing Colonies.
- (ii) In some cases, the land has been taken by the Tea Estates under Tea Lease and they have no right to transfer the ownership.
- (iii) Even if a colony is built, the question of maintenance of services like water supply, roads etc. will come up. The Tea Estates have their individual water supply arrangements and they may not agree to provide the services to the colonies.
- (iv) The question of distance to be covered by the workers for reporting for duty is also to be considered. At present they reside near the gardens and they may resent walking long distances.
- (v) Maintenance of law and order may present a problem. At present the Estates have some control over the workers. If a Housing Colony is built up by Government, the Estates will lose that control.
- (vi) A Governmental agency for construction will not be ideal as its overheads may be heavy and it will be more costly.
- (vii) The construction of houses by a Government agency would involve great organisational and administrative problems.

It has been suggested by the Government of Assam in this connection that Government should have power to construct houses and realise the

costs where employers prove recalcitrant. Inclusive of administrative charges, the cost of such houses will be more and to that extent, employers will be automatically penalised.

### **Views of Employers**

5. The employers' Organisations have expressed the following views :—

- (i) the proposal will involve the companies in greater financial commitments than at present.
- (ii) A Government colony in plantations would create many problems arising from the rights of occupants continuing even after they have ceased to have any connections with the plantations, control over the property, responsibility for conservancy and maintenance.
- (iii) Special encouragement may be given to such building plans as may be voluntarily drawn up by conveniently grouped estates.

### **Views of Workers**

6. The AITUC has suggested that Government should itself take over construction of houses and levy a cess on planters to finance the construction. The Hind Mazdoor Sabha has also supported the suggestion that Government may construct houses for workers, wherever feasible, and recover the cost from the industry. The INTUC has no objection to the proposal. The United Trades Union Congress has, however, intimated that the proposal to construct Housing Colonies would complicate matters pertaining to housing and that it would not achieve the desired result.

### **Position in Coal Mines**

7. In Coal Mines, the Coal Mines Welfare Fund Organisation is primarily responsible for providing housing accommodation to the Coal Miners. This organisation has been set up under the Coal Mines Labour Welfare Fund Act, 1947 and its function is to provide housing, medical and other welfare facilities to colliery workers and their dependents. A Fund known as the Coal Mines Labour Housing and General Welfare Fund has also been set up under the Coal Mines Labour Welfare Fund Act. The income of the Fund is derived from levy of a cess on coal and coke despatched from the collieries. The proceeds of the cess are apportioned between the Housing Account and the General Welfare Account. The Fund has been paying special attention to the problem of housing and has sponsored from time to time the following Housing Scheme for the benefit of Colliery Workers :—

- (i) *Townships*.—The Fund has constructed seven townships comprising 2,153 houses out of which Bhuli township with 1,566 houses is the largest.
- (ii) *Subsidy Scheme*.—This scheme was sanctioned in October 1950 and 1,638 houses have been constructed up to 31-10-1963. It envisages payment of subsidy at the rate of 20% of the cost of construction (subject to the ceiling limit ranging from Rs. 3,100

to Rs. 3,800) to colliery owners who construct houses as per prescribed specifications and designs.

- (iii) *Subsidy-cum-loan Scheme*.—This scheme was sanctioned in March, 1954 and 2,060 houses have been constructed under it up to 31-10-1963 and 103 houses are under construction. It envisages payment of subsidy at the rate of 25% and loan at the rate of 37½% of the ceiling cost which ranges from Rs. 3,100 to Rs. 3,800.
- (iv) *New Housing Scheme*.—This scheme was sanctioned in July, 1956 and provides for the construction of 30,000 houses by the Fund at a cost of about Rs. 10 crores. Under this scheme the entire cost of construction is borne by the Fund subject to fixed ceiling limits of Rs. 3,100 to Rs. 3,800 for different coal fields. All the 30,000 houses had been allotted to different collieries. Construction of 15,612 houses had been completed and 13,786 houses were under construction as on 31-10-1963.
- (v) *The Low Cost Housing Scheme*.—The scheme was sanctioned by Government in May, 1961 for the construction of 25,000 houses and 417 barracks at Rs. 1,300 per house and Rs. 2,600 per barrack. It envisages construction of 1 lakh low cost (cheap) houses during the Third Plan Period at an estimated cost of Rs. 13 crores. 1,896 houses and 9 barracks have been constructed and 5,915 houses and 38 barracks are under construction as on 31-10-1963.
- (vi) *Build your own House Scheme*.—A scheme for the grant of subsidy not exceeding Rs. 325 per house from the Fund to the Colliery workers who are residing in neighbouring villages for construction or improvement of houses on sites owned by them was sanctioned in January, 1963. 1,000 houses have been sanctioned so far.

#### Difficulties in implementing Housing Scheme for Colliery Workers

8. (i) The Colliery owners represented that the prescribed ceiling costs were too low and they were reluctant to construct houses under the New Housing and Low Cost Housing Schemes. The ceiling costs of houses have been increased with effect from 18-10-1963 as under :—

New Housing Scheme	Ceiling Costs	
	Previous	Increased
	Rs.	Rs.
Bihar, West Bengal and Madhya Pradesh ..	3,300	4,000
Orissa, Andhra Pradesh & Rajasthan ..	3,100	4,000
Assam .. .. .	3,800	4,250
<i>Low Cost Housing Scheme :</i>		
Assam .. .. .	1,500	1,800 per house
	3,000	3,600 per barrack
All other coalfields .. .. .	1,300	1,600 per house
	2,600	3,200 per barrack

(ii) So far as the new Housing Scheme is concerned, the main difficulty has been the non-availability of suitable non-coal bearing land for construction of houses. It has been decided that in addition to the available non-coal bearing land, sites may be selected also on coal bearing land in order of the following preferences :—

- (1) Barriers.
- (2) Railway sidings/Roads.
- (3) River banks.
- (4) Spaces available where there is already a colony.
- (5) Faults and dykes.
- (6) Where extraction of coal can be carried out on any future date without damaging the surface, and
- (7) In cases where life of the colliery is more than 50 years, the coal underneath the miners' houses is to be locked up for a period of 50 years. In the event of extraction of coal earlier, the entire cost of houses, if damaged, should be paid by the colliery by way of compensation.

In plantations, there will be no such difficulty as plenty of land is available for construction of houses.

#### **Unsatisfactory Housing condition in Coal Mines**

9. According to available information, about 10 to 15% of the working population, estimated at 4,11,000 in coal fields, live in neighbouring villages, about 10% are fairly properly housed and about 10% to 15% have some sort of accommodation. The remaining 60% to 70% (say about 2.5 lakhs) workers are in need of accommodation. This shows that the housing conditions in Coal Fields are acute.

#### **Position in Mica Mines**

10. The Mica Mines Labour Welfare Fund Act, 1946, also provides for raising of a Fund by the levy of an *ad valorem* customs duty on all mica exported from India up to a maximum rate of 6½%. The Fund is utilised for activities connected with the welfare of labour in the Mica Industry. The housing position of mica miners is also not satisfactory. In order to encourage the construction of houses for miners by the employers, certain schemes providing for grant of loans and subsidy from the Mica Mines Labour Welfare Fund were introduced by Government. But there was no response from the employers. The main reasons as to why the owners have not been constructing houses for mica miners are :

- (i) The life of mica mines is uncertain.
- (ii) Labour employed in the mica mines is generally of migratory nature. Their main occupation is agriculture.
- (iii) Under an award, the workers are entitled to a rent free house or Rs. 4 p.m. in lieu thereof. The mica miners prefer to



have Rs. 4 in cash in lieu of a house and continue to live in their thatched houses in nearby villages.

In order to improve the housing conditions of mica miners, the Fund itself has taken up the following Schemes :—

**1. Departmental Colonies :**

Two colonies each consisting of 50 houses are under construction in Bihar. These houses will be let out to miners free through the mine owners who will pay a nominal rent of Rs. 4 p.m. There more colonies are proposed in Bihar and proposals for similar colonies in Andhra Pradesh and Rajasthan are under consideration.

**3. Build your own house Scheme :**

Construction of 500 houses in Bihar has been sanctioned. The houses will be handed over to mine owners who will pay a nominal rent of Re. 1 to Rs. 2 p.m. per house and will let out the houses free of rent to mica miners. Similar schemes are being considered for Andhra Pradesh and Rajasthan.

**3. Build your own house Scheme :**

Under this Scheme, it is proposed to give a grant of about Rs. 325 to every worker either in the form of cash or building material to enable him to improve his village house.

**Unspent balance in Mica Mines Labour Welfare Fund**

11. The progress of construction of houses for Mica Miners has been slow. The funds collected by the levy of cess for financing welfare schemes remain unutilised to a large extent.

**Conclusions**

12. Under the Plantations Labour Act, the employers are required to provide a number of welfare facilities such as housing facilities, medical facilities, educational facilities (for workers' children), recreational facilities, canteens, creches etc. If a Welfare Cess is levied on planters and the responsibility to provide the welfare facilities is transferred to a Welfare Organisation (on the lines of Coal and Mica Mines Labour Welfare Organisation) the proposed agency will have to take over the provision of not only housing facilities but other welfare facilities also. The progress of provision of welfare facilities other than housing facilities has, however, not been unsatisfactory and as such, it would not be necessary to take over the responsibility for their provision from the employers. So far as the housing facilities are concerned, even under the Coal and the Mica Mines Labour Welfare Organisations, most of the houses are not constructed by these Organisations directly. The Coal and the Mica Mines Labour Welfare Funds mostly pay and it is the employers who construct. It is a formidable task for any organisation to construct houses for lakhs

of workers. Moreover, a Government agency has to observe certain rules and regulations which may mean a dilatory process and transfer of the responsibility for construction of workers' houses to such an agency may lead to disaffection, and delay in construction. The main test for setting up a new agency to provide the various welfare facilities including housing facilities to plantation workers will thus be whether this will result in speedier implementation of the welfare provisions of the Act. As it is difficult to ensure this, the acceptance of the proposal for construction of workers' houses and provision of other welfare facilities by a Government agency is not recommended. Moreover, the main difficulty in implementing the housing programme in plantations is lack of finance. It will add to the financial liability of employers if a Government agency is set up to provide various welfare facilities, since the cost of the establishment and maintenance of the Organisation will also have to be borne by the industry. The Organisation will have to be set up in either of the two cases viz. whether a Cess is levied to raise finance or if the cost is recovered from employers in suitable instalments. The Organisation will also have to be big in size as it will cater to the needs of plantations in North India as well as in South India. This will mean considerable additional expenditure. There will also be other difficulties, particularly, the difficulty in regard to availability of land in or near plantations for construction of housing colonies by a Government Agency, as pointed out by the State Governments and Employers. The Group, however, makes the following recommendations :—

- (i) Government should have power to construct houses and realise costs where employers fail to provide housing accommodation as prescribed under the Rules unless such failure is for reason beyond their control. (There is already a similar provision in respect of medical facilities in Plantations Labour Act, 1951, and it will not be necessary to set up a separate Government agency for this purpose).
- (ii) Small estates which are contiguous may be allowed to set up housing colonies on a joint basis, wherever feasible, so as to have a better layout plan for the colony and to provide common services like drinking water etc. at less cost. (Under the Plantations Labour Rules, planters are already allowed to provide medical facilities collectively).

## CHAPTER VIII

### *Standards and Specifications for Workers' Houses in Plantations*

#### **Background**

At the third session of the Industrial Committee on Plantations held in November, 1950, at which the target for construction of workers' houses at 8% of resident workers per annum was evolved, it was agreed that employers should construct two-roomed houses for workers in North India and one-roomed tenements with a verandah and kitchen for workers in South India. A provision to this effect was also made in the draft Model Rules framed under the Plantations Labour Act, 1951.

At the 6th session of the Industrial Committee on Plantations (Ootacamund—19th and 20th July, 1954) however, it was decided that the standards and specifications for workers' houses should be prescribed by the individual State Governments. It was felt that as local conditions vary from State to State, it would be better to leave this matter to the discretion of the State Governments concerned. Accordingly, the Model Rules framed under the Act were amended so as to provide that all housing accommodation for workers in a plantation shall conform to such standards and specifications as may be approved by the State Government on the recommendation of the Advisory Board. The rules framed under the Plantations Labour Act also provide that the State Government should set up an Advisory Board consisting of representatives of State Governments, employers and workers concerned for consultation in regard to matters connected with housing.

#### **Fixation of Standards and Specifications by the State Governments**

2. Excepting Bihar, Punjab and Himachal Pradesh where the housing problem is not acute, all the other State Governments concerned *viz.*, Assam, West Bengal, Uttar Pradesh, Madras, Mysore and Kerala and the Tripura Administration have prescribed necessary standards and specifications for construction of workers' houses under the Plantations Labour Act. The statement at Appendix XIII contains the broad features of the standards and specifications prescribed by the State Governments at present. It will be observed therefrom that the Governments of Assam and West Bengal and Tripura Administration have prescribed two-roomed tenements for their workers whereas one-room tenements have been prescribed by the Governments of Uttar Pradesh, Madras, Mysore and Kerala. According to the State Governments concerned, the cost of a house constructed

according to the prescribed standards and specifications, will be as follows :

						Rs.
Assam	..	..	..	..	..	(a) 5,100 (for families up to five members).
						(b) 5,950 (above five members)
West Bengal	..	..	..	..	..	3,000
Tripura	..	..	..	..	..	3,500
Madras	..	..	..	..	..	2,500
Mysore	..	..	..	..	..	Reply not yet received.*
Kerala	..	..	..	..	..	2,000
Uttar Pradesh	..	..	..	..	..	3,000

#### Upward revision of standards & specifications by the Government of Assam

3. Under Rules 59 and 68 of the Assam Plantations Labour Rules, 1956, the Government of Assam, *vide* their notification dated 21-12-1956 prescribed the standards and specifications for workers' houses. These standards and specifications were revised by the State Government in 1960 and again recently in February and May, 1963, *vide* their notifications dated 28-2-63 and 10-5-63 respectively. A copy each of the notifications mentioned above is attached. (Appendix XIV). According to the Consultative Committee of the Tea Producers Association the adoption of the revised standards and specifications recently notified by the Assam Government would nearly double the cost of construction of a house (which would go up from Rs. 2,000—3,000 to over Rs. 5,000) and would mean construction of only about half the number of houses which could be built previously with the resources available to the tea gardens. It has been pointed by the Indian Tea Association that it is the second time that the standards have been revised by the Assam Government, and that at the time of first revision of the standards in 1960 the houses built according to previous specifications during 1956-60 was rendered 'sub-standard' and had to be rebuilt at considerable cost. According to them, the same difficulty will be repeated as the houses built to approved standards and specifications prior to the issue of the latest notification prescribing new standards and specifications would now become sub-standard and will have to be rebuilt at considerable cost so as to make them conform to the latest prescribed standards. It has also been pointed out by the Indian Tea Association that the specifications now prescribed by the Assam Government are in some respect impracticable and that the shortage of building materials, like Cement, A.C. sheets etc. required for construction of houses according to the new specifications would impede construction to a greater extent than before. The industry has further argued that due to the upward revision of standards and specifications by the Government of Assam all the houses have to be rebuilt and the plantations are faced with the necessity for starting from scratch with their position worsened by the fact that the cost of building houses to the very much more elaborate specifications has been greatly increased. They also

\*According to the Mysore Govt.'s reply received on 21-3-1964, the cost would be Rs. 2,000 per house.

apprehended that the cost of remodelling houses built from 1956 onwards will be found disproportionate to the extent of the alterations made necessary by the revision of the specifications. The industry have complained that no target can ever be reached if when the goal is in sight another goal is fixed. They have, therefore, suggested that once a house has been built according to approved specification during its life, which might be fixed at 50 years, that house should not be subject to alterations to conform to improved standards approved at a later date, which should apply only to houses built in future and that houses built to previous specifications which were then current, should be considered 'standard' for the life of that houses, *i.e.* 50 years.

**Justification given by the Government of Assam to the upward revision of standards & specifications**

4. According to the Government of Assam, the latest revision of standards has been necessitated by several factors, *e.g.* :—

- (i) The families of workers are getting larger specifically in Cachar—and the unemployed members of the family stay with the plantation workers. So additional accommodation has to be provided for them. The third room to be built according to the revised standards really means in most of the cases two houses in one where there are two earning members working on the same plantation. So indirectly it really helps the plantations.
- (ii) There is a rather widespread perfunctionary construction. The collapse of houses leading even to death has been reported to be provoking workers' demonstrations. So better standards have to be laid down.
- (iii) The Parliamentary Committee set up by the State Government for assessment of the implementation of the provisions of the Plantations Labour Act in Assam recommended upward revision of standards and specifications prescribed for workers' houses.
- (iv) The changes which had been made are mainly in the height and the workers very much wanted this revision. The kitchen of proper height is a new feature; a store, a back verandah are the other changes.

It was also explained to the Working Group that Rs. 5,100 the cost of the revised type of house in Assam would mean Rs. 3,000 elsewhere, as in Assam the materials were more costly, the transport charges much higher, etc.

While the Government of Assam may have valid and compelling reasons for revising the standards and specifications for plantation labour housing; the fact remains that with the adoption of the revised standards

the cost of construction of houses will go up considerably and to that extent the number of houses which the planters would be in a position to build with certain given resources would be much less according to the revised standard in abeyance, the following steps are suggested : could be built according to the old specifications. This is a rather alarming situation for Assam has the largest number of the gardens. The Working Group are firmly of the view that if the 8% formula has to be applied, Assam Government should hold in abeyance the new standards prescribed until the financial position of the tea industry demonstratively improves. All the recommendations that the Working Group would make to assist the plantation industry to complete its housing programme would not be adequate for meeting the situation created by the Assam Government's revision of standards. If Assam Government cannot, however, keep the revised standard in abeyance, the following steps are suggested :

- (i) They should not declare houses constructed under the standards prescribed before February, 1963, as sub-standards, calling for remodelling of existing houses.
- (ii) The tea gardens should have a discretion to construct kutchha of semi-pucca houses only on the revised standards (which no doubt, would be costlier in the long run, but would not entail heavy investment initially).
- (iii) Assam Government should be prepared to offer the tea gardens a subsidy over and above the form of assistance recommended by the Working Group to make up for the difference in outlay caused by their revision of standards.

#### **Suggestion for use of locally available materials for construction purposes**

5. One of the main reasons advanced by the plantation industry for the slow progress of housing is the difficulty of getting in time building materials like cement, steel, C.I. sheet etc. in sufficient quantities. In this connection suggestions have been made time and again, that where cement and other building materials are not available in adequate quantities houses should be constructed out of locally available materials. The cost of such construction would be much less. The Plantation Inquiry Commission in its report had stated that the State Governments would keep in view the felt needs of the workers in each region and the availability of materials both from regional as well as national point of view. The Commission also recommended that a reduction in cost of a house might be possible if suitable locally procurable building materials could be used wherever possible and timber, brick and lime mortar could be substituted for cement and steel. According to them in hot and damp regions a thatched house, provided it was well constructed and was damp proof, might be suitable.

The Working Group visited some typical plantations in the States of Assam, West Bengal, Tripura, Madras, Kerala and Mysore in order to

acquire a first hand knowledge of the difficulties experienced by planters in fulfilling the Housing programme. During these visits, the Working Group came across in the Cachar area certain types of houses constructed out of locally available materials which were quite good. The Working Group was very much impressed by an improved type of mud built house in Chincoorie garden a chou-chala (*i.e.* four slopping thatches) where the projecting eaves cover verandahs on all sides and so protect the mud walls from rain. It is reported that the workers themselves build such houses as the wages are paid by the cooperative\* and material is also supplied by it. The cost of such a house is stated to be about Rs. 500. In Tripura, the Working Group was shown an improved type of house, which had a floor area of 252 feet *i.e.* 21' × 19' × 7½', and a verandah measuring 14' × 3½'. The thatched roof was supported by thick mud walls and there are two rooms. This improved type of cottage costs the management Rs. 425. The grass for the thatch is supplied free, bamboo and timber have to be purchased and the workers are given wages when they are engaged in construction. Such houses with a height of only 7½' do appear to be low but it is said that because of high winds in certain seasons of the years, the houses could not be higher. If the materials available from the garden were to be bought then the cost of construction would come to Rs. 500 per cottage.

We would also like to reproduce here the following extract from the report of the Parliamentary Committee appointed by the Government of Assam for assessment of the implementation of the provisions of the Plantations Labour Act, 1951, in Assam :

"As regards the cost of construction, various estimates have been given by various managers. According to the most of the managers the cost of a pucca house built as per present standards and specifications is approximately Rs. 2,000. We have seen some such quarters which are good and strongly built. We have also seen a strongly built tile roofed quarter with a full size verandah in the front, a half size verandah at the back two living rooms and a slightly bigger kitchen. which has cost only Rs. 1,600 as in Adabari T.E. in Darrang District. We were very much impressed by that quarter and we are of the opinion that a quarter of that type built according to the specification recommended by us should not cost more than Rs. 2,000. On the other extreme we have also seen four quarters built almost entirely with local materials at a cost of Rs. 800 per unit in Longai T.E. in Cachar which in our opinion are quite satisfactory.

According to the Indian National Trade Union Congress on account of the easy availability of land in plantations and the fact that local building materials *e.g.* timber, stone, etc. are readily available, the cost of a house should be less than Rs. 1,000 provided the houses are constructed by the planters themselves without letting construction work on contract.

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\*The garden is managed by a Cooperative Society.

### **Suggestions of Employers Organisations for modifications of existing standards**

6. The position regarding revision of standards and specifications by the Government of Assam has already been explained in paragraph 3 above. No other State Government is contemplating any such revision of standards in the near future.

The Indian Tea Planters' Association have suggested that the standards should be made elastic, so that maximum use of locally available materials, such as thatch and wood could be made. According to them pucca floor of certain portions of the houses may not be necessary such as kitchen and verandah; unless C.I. sheets are available roofing should be allowed to be done by any suitable materials which could prevent rain water from entering into the houses. They have also suggested that once a house of a particular type has been built according to the approved standard, during the life time of that house which may be fixed at 30 years, it should not be subject to alteration to conform to altered standards approved at a later date. The U.P.A.S.I. have stated that they will not require a reduction in the standard of housing for labour if the plantation industry is treated at par with other industries, controlled building materials are made available and the capital cost can be written off against revenue account.

The Indian Tea Association have sent a blue print reproduced in Appendix XV of a house conforming to the specifications prescribed by the Government of West Bengal. The design of the house is reported to have been prepared in such a manner that in due course after completion of the housing programme, an extra room could be added to meet the needs of large families for whom the Government of Assam have already laid down an extra room to be built. The Indian Tea Association have suggested that it is better to build pucca houses of modest proportions for the workers before attempting to build to more extravagant standards to meet the needs of large families. The Working Group recommends the design produced by the Indian Tea Association for the consideration of the State Governments in the Eastern Region. The Group would not like to indicate any minimum all India standard, as there are enormous local variations in climate, environment, housing requirements etc.

### **Supply of building materials**

7. The Government of Punjab and the Tripura Administration have not received any complaint from the employers about the non-availability of cement and other building materials probably because not much pucca construction is undertaken in these areas. The Government of West Bengal have suggested that a separate quota of controlled building materials for Housing Schemes under implementation in the estates, as sponsored by Government, may help in solving the problem. According to the Government of Madras, priority should be given in the matter of allotment



of any building materials required for construction of workers' houses in accordance with the plans approved by the authorities concerned. The Government of Kerala have suggested that the supply of adequate quantity of building materials may be arranged through the Commodity Boards concerned. The Government of Assam have stated that the difficulties regarding supply of building materials are due primarily to the fact that the industry has failed so far to give concrete proposals for house building to enable the Tea Board to make necessary accurate allocations. According to them, the building programmes should be formulated in advance thereby enabling allocations to be made on the basis of actual requirements. They have also expressed the view that with advance planning, the transport bottleneck can be overcome sufficiently to make movements more regular.

The Indian Tea Planters' Association have quoted the following instances to pinpoint the difficulties experienced by them in getting timely supply of building materials :

- (i) Quota certificates are issued for acquiring C.I. sheets, months after applications are made. But the issue of a certificate is no guarantee of immediate supply of the materials. The quota holders have to wait for months and sometime for years together to get the materials.
- (ii) Similarly an application for cement has to be made months before the actual requirement. Allotment of cement is made at a time when it cannot be utilised as by the time the cement is expected to reach the garden the construction season for the particular year would be over.
- (iii) For manufacturing bricks, a lot of coal dust is necessary. Due to wagon shortage, coal dust is not readily available.

The I.T.A. and the I.T.P.A. have suggested that a freight rebate on cement and other stores used in the construction of labour houses might be given by Government. The UPASI has pointed out that it is extremely difficult to get satisfactory supplies of C.I. sheets, Cement, Asbestos sheets and the prices of other materials are high and unregulated. According to them the Government of India or the Tea Board on its behalf should be in a position to allot supplies on the processed and certified applications forwarded by them on behalf of the estates, as without a reasonably certain supply of essential building materials, progress would slow down in the future years even if all other concessions are extended to the industry.

The cement required for construction of workers' houses etc. in tea gardens is being supplied through the Tea Board. After ascertaining the requirements of the tea industry in this regard, the Tea Board has to intimate to the Ministry of Industry their quarterly requirements of cement at least six weeks before the commencement of every quarter. From the

undermentioned figures collected from the Tea Board it will be observed that the supply of cement has fallen far below the requirements of the tea industry.

*Cement for Tea Industry in India*

Period		Total Demand	Total Allotment	Percentage	Remarks
1956	.. ..	1,53,131	31,749	20.733	(in long ton)
1957	.. ..	1,92,335	43,655	22.697	"
1958	.. ..	1,06,662	62,534	58.628	"
1959	.. ..	66,624	65,001	97.564	"
1960	.. ..	35,959	29,525	82.107	(in m/tonnes)
1961	.. ..	1,36,054	40,612	29.850	"
1962	.. ..	2,05,153	57,000	27.784	"
*1963	.. ..	1,24,156	42,000	33.828	"
		*(up to third quarter)			

It is understood that the supply of cement to the Coffee Plantations is made through the Coffee Board. Here also the supply position is more or less the same as in the case of the Tea Plantations.

### Conclusions

8. As local housing conditions vary from State to State the Working Group considers that the State Governments are in a better position to decide about the standards and specifications for workers' houses. They would, however, commend to the State Governments the employers' suggestion that once a house of a particular type has been built according to approved standards, during the life time of that house, it should not be subject to alterations to conform to revised standards approved at a later date.

It is also recommended that if sufficient supply of building materials like cement etc. is not available the State Government may consider relaxation of the standards and specifications in suitable cases, to enable the employers to make a more liberal use of locally available material for construction of semi-pucca or kutchha houses of improved designs.

Suitable arrangements should also be made for the supply of requisite quantities of building materials to the planters. For this purpose the planters should draw up a forward programme where it is not being done at present of their requirements and intimate them to the Commodity Boards concerned.

In view of the non-availability of building materials, the Working Group also recommends the use of light tiles in place of corrugated iron sheets and the increased use of lime-mortar and mud mortar in construction of semi-pucca type of houses, the use of cement being restricted to bath rooms.

## CHAPTER IX

NOTE : The main recommendations have been summarised in para 8 of Chapter I.

### *Summary of Conclusions and Recommendations*

The financial burden on the plantation industry has increased considerably since the target for construction of houses for 8 per cent of the resident workers per annum was laid down in 1950 on account of additional taxation, increase in wages and fringe benefits and increased cost of construction of Labour Housing.

(Chapter II Para 1)

2. Against a total number of 4,51,670 houses required to be constructed only 2,40,329 houses of the approved standard were in existence on the 31st December, 1962. According to the present cost of construction per unit in the various States, a capital of about Rs. 87.66\* crores would be required to complete the housing programme.

(Chapter II para 6)

3. The position regarding finances available to the plantation industry from within their own resources, cannot be generalised. The financial condition of the industry differs not only from State to State but also from one area to another in the same State and from one plantation to another plantation in the same area.

(Chapter II paras 13; 14)

4. No appreciable impact can be made in the speeding up of the housing programme by diversion of reserve funds to the construction of houses.

(Chapter II para 15)

5. In certain cases, there is room for curtailing expenditure on over head charges by decreasing the remuneration paid to the Managing Agents and Secretaries, by abolishing or restricting the commission paid to managers etc. and by rationalising the salary structure of the managerial cadre.

(Chapter II para 17)

6. There is a *prima facie* case for rationalising the existing high rates of dividend paid by certain companies so as to provide more funds for labour housing while ensuring a fair return to share holders.

(Chapter II Para 20)

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\*According to the Revised Estimate, the figure would amount to Rs. 87.67 crores—cf footnote in Appendix I.

7. A reasonable balance should be maintained between expending of money on developmental charges and on labour housing and neither of the two should take precedence over the other.

(Chapter II para 21)

8. The State Governments should, on the analogy of the practice followed by the Government of West Bengal, accept bank guarantees from planters, as security for repayment of loans under the Plantation Labour Housing Scheme.

(Chapter II para 24)

9. On the analogy of action taken by the Government of West Bengal, the State Governments should draw on the loan facilities available from the funds of the Life Insurance Corporation for providing financial assistance to needy planters.

(Chapter II para 25)

10. Some units of the plantation industry are definitely in need of financial assistance if they are to fulfil the housing programme according to the target of construction of houses at the rate of 8 per cent of resident workers per annum.

(Chapter II para 26)

11. Efforts should be made to ensure that the 8 per cent target is adhered to as far as possible.

(Chapter III para 2)

12. Early action is called for on the part of the State Governments concerned in regard to the creation of the Pool Guarantee Fund.

(Chapter III para 3)

13. Where there is a recognised building programme and where the plot numbers upon which houses are to be built can be identified, it should not be difficult for the banks to agree in writing that the particular plots, notwithstanding the hypothecation on the estates as a whole, would be excluded, so that the plots may be mortgaged together with the houses built thereon as security for repayment of loans under the Plantation Labour Housing Scheme.

(Chapter III para 5(i)(c) )

14. Administrative delays in sanctioning loans should be avoided and the amounts sanctioned made available as expeditiously as possible.

(Chapter III para 5(vi) )

15. It is necessary to provide assistance in the form of subsidy to the plantation industry as in the case of other industries. The Plantation Labour Housing Scheme may be modified to provide for grant of subsidy to the extent of 25 per cent of the cost and the grant of loans to the extent of 50 per cent of the cost, on the lines of the Subsidised Industrial Housing Scheme.

(Chapter III para 6)

16. The Panchayats should not levy house tax on houses constructed under the Plantations Labour Act, 1951 as these houses are rent free and the Panchayats do not provide the civic amenities normally expected of them in plantation areas.

(Chapter III para 15)

17. The State Governments should not revise the standards and specifications for construction of Workers' Houses in a way that will increase the cost of construction considerably. The Group commends for the consideration of the State Governments that houses once built according to specifications should continue to be treated as "Standard" houses for the rest of their life.

(Chapter III para 15)

18. There is a very strong case for providing some relief to the plantation industry by allowing them higher rates of depreciation allowance than are admissible at present, in respect of expenditure incurred on provision of houses constructed according to approved standards for labour. The rate of depreciation allowance should be correlated to the type of houses constructed so that the amortization period coincides with the life of the house. The following rates of depreciation allowance should be adopted :—

- (a) *Pucca type*—No change in the existing rate; viz. Normal depreciation allowance of 7.5 per cent per annum *plus* a special depreciation allowance of 20 per cent during the first year.
- (b) *Semi-pucca type*—Normal rate of depreciation allowance of 7.5 per annum should continue, but special depreciation allowance during the first year should be raised from 20 per cent to 40 per cent.
- (c) *Kutcha type*—Normal annual depreciation allowance should be 25 per cent per annum and special depreciation allowance during the first year should be 40 per cent.

The concession to charge the expenditure to revenue should be allowed in cases of renewal of all kutcha type houses conforming to the approved standards.

(Chapter IV para 5)

19. The grant of income-tax rebate at higher rates as suggested above should not affect in any manner the quantum of bonus payable to plantation labour.

(Chapter IV para 7)

20. All State Governments should allow rebate for assessment of agriculture income-tax on the same rates as have been recommended in Item 18 above for purposes of assessing Central Income Tax.

(Chapter IV para 8)

21. There is no justification for a general wholesale reduction in the existing target for construction of workers' houses at the rate of 8 per cent per annum. Specific cases should be considered by State Governments on merits and exemptions from the fulfilment of the housing target for particular years sanctioned by them.

Cases of exemption should be dealt with expeditiously and State Govts. should provide adequate staff to deal with these cases.

(Chapter V para 9)

22. If in a particular year, the housing programme cannot be proceeded with according to the fixed target due to the shortage of building materials or similar other reasons, the estates should set aside an appropriate amount out of their net profits for the year for being expended on construction of houses as soon as the position of availability of building materials improves.

(Chapter V para 9)

23. *Construction of houses by Housing Co-operatives outside plantations*: Workers' Co-operatives may be tried out only where suitable location is available. Government may either acquire suitable land for this purpose and give it to Workers' Cooperatives or help them in getting suitable land. Assistance as is available under the Subsidised Industrial Housing Scheme to Workers' Cooperatives may be provided.

(Chapter VI para 9)

24. *Construction of houses by Workers' Cooperatives inside plantations*: It may be possible to acquire suitable land at the outer periphery of some plantations where an approach road may be available. In such cases, the planters will not be put to any trouble. They may also have no objection to the occupation of the house by a family even after the retirement of a worker provided at least one member of the family continues to work in the plantation. The pattern of assistance to be provided to the Cooperatives may be as follows :—

- (i) The land on which houses are to be constructed should be made available by the planters on a long term lease basis with a provision for renewal of the lease;
- (ii) The planters should subsidise 50 per cent of the cost of houses and services. Once the houses are constructed, the entire expenditure on their maintenance and repairs will be the responsibility of Cooperatives of Workers;
- (iii) The remaining 50 per cent of the cost should be met by grant of loans and subsidies and share capital raised by the society.

(Chapter VI para 10)

25. The main test for setting up a new agency to provide the various welfare facilities including housing facilities to plantation workers will be

whether this will result in speedier implementation of the welfare provisions of the Act. As this cannot be ensured, acceptance of the proposal for construction of workers' houses and provision of other welfare facilities by a Government agency which will also be more costly is not recommended.

(Chapter VII para 12)

26. Government should have power to construct houses and realise costs where employers fail to provide housing accommodation as prescribed under the Rules, unless such failure is for reasons beyond their control.

(Chapter VII para 12)

27. Small estates which are contiguous may be allowed to set up housing colonies on a joint basis, wherever feasible, so as to have a better layout plan for the colony and to provide common services like drinking water etc. at less cost.

(Chapter VII para 12)

28. As the 8% formula has to be applied, Assam Government should hold in abeyance the new standards prescribed until the financial position of the tea industry demonstratively improves. If Assam Government cannot keep the revised standards in abeyance, the following steps are suggested.

- (i) They should not declare houses constructed under the standards prescribed before February, 1963 as sub-standard, calling for remodelling of existing houses.
- (ii) The tea gardens should have a discretion to construct kutchra or semi-pucca houses only on the revised standards (which no doubt, would be costlier in the long run, but would not entail heavy investment initially).
- (iii) Assam Government should be prepared to offer the tea-gardens a subsidy over and above the form of assistance recommended by the Working Group to make up for the difference in outlay caused by their revision of standards.

(Chapter VIII para 4)

29. The Working Group recommends the design produced by the Indian Tea Association for the consideration of the State Governments in the Eastern Region. The Group would not like to indicate any minimum all-India standard, as there are enormous local variations in climate, environments housing requirements etc.

(Chapter VIII para 6)

30. As local housing conditions vary from State to State, the Working Group considers that the State Governments are in a better position to decide about the standards and specifications for workers' houses.

(Chapter VIII para 8)

31. If sufficient supply of building materials like cement etc. is not available, the State Government may consider relaxation of the standards and

specifications in suitable cases, to enable the employers to make a more liberal use of locally available material for construction of semi-pucca or kutcha houses of improved designs.

(Chapter VIII para 8)

32. Suitable arrangements should also be made for the supply of requisite quantities of building materials to the planters. For this purpose the planters should draw up a forward programme of their requirements where it is not being done at present.

(Chapter VIII para 8)

Sd/- N. N. CHATTERJEE 13-3-64.	Joint Secretary, Ministry of Labour and Employment and Convener, Working Group on Plantations Labour Housing.
Sd/- K. M. KIDWAI 13-3-64.	Director of Tea Development, Tea Board, Calcutta.
Sd/- H. K. KOCHAR 13-3-64.	Deputy Secretary, Ministry of International Trade.
Sd/- S. S. B. RAGHAVAN 13-3-64.	Assistant Chief (Housing), Planning Commission.
Sd/- G. S. BHASIN 13-3-64.	Under Secretary, Ministry of Finance (Works).
Sd/- K. N. VALENKAR 13-3-64.	Deputy Housing Adviser, Ministry of Works, Housing and Rehabilitation.

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## APPENDIX I

Statement showing the number of houses constructed etc. for Plantation Workers as on 31-12-1962

	Assam	West Bengal	Madras	Kerala	Mysore (as on 31-12-1961)	Punjab	Uttar Pradesh	Tripura
1. No. of workers	4,84,242	1,72,861	83,842	1,47,413	65,461	1,811	1,840	10,381
2. No. of resident workers	4,11,017	—	39,457	1,17,338	—	159	1,248	3,707
3. Houses required	2,22,831	1,14,934	34,507	55,877	19,206	—	632	3,683
4. No. of houses provided (approved standards)	1,15,243	54,484	23,048	32,421	14,910	125	74	24
5. Shortfall	1,07,588	60,450	11,450	23,456	4,296	34	558	3,659
6. Approximate cost of construction of a house.	Rs. 5,525	Rs. 3,000	Rs. 2,500	Rs. 2,000	Rs. 2,500	Rs. 2,500	Rs. 3,000	Rs. 3,500
7. Total cost of construction to make the shortfall good	Rs. 59,44,23,700	18,13,50,000	2,86,47,500	4,69,12,000	1,07,40,000	85,000	16,74,000	1,28,06,500

Total No. of houses required .. .. . 4,51,670

Total No. of houses constructed .. .. . 2,40,329

Shortfall .. .. . 2,11,341

Total cost of construction Rs. 87.66 crores (Approximate).

In their reply received after the Report was signed, the Government of Mysore have furnished the following figures as on 31-12-1962:—

(i) No. of workers	59,957
(ii) Houses required	18,566
(iii) No. of houses provided (approved standards)	13,133
(iv) Shortfall	5,433
(v) Approximate cost of construction of a house	2,000
(vi) Total cost of construction to make the shortfall good	1,08,66,000

This will raise the total cost of construction from Rs. 87.66 crores to Rs. 87.67 crores.

**APPENDIX II**  
**IMMEDIATE**

GOVERNMENT OF INDIA  
MINISTRY OF LABOUR & EMPLOYMENT

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No. PL-15(8)/60

*New Delhi, the 5th Aug., 1962*

FROM :

Shri R. M. Doiphode,  
Deputy Secretary to the Govt. of India.

TO :

The State Governments, Employers' and Workers'  
Organisations concerned.

SUBJECT : *Working Group on Plantation Labour Housing.*

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Sir,

I am directed to say that the question of housing for plantation workers was *inter alia* considered at the 10th Session of the Industrial Committee on Plantations (New Delhi 21-9-61), when it was agreed that the Ministry of Labour and Employment would set up, in consultation with the concerned Ministries and the Planning Commission, a Working Group to go into the whole question of finance and devise ways and means to ensure the speediest possible completion of the housing programme. A Working Group has accordingly been set up consisting of the following :—

- (i) Shri N. N. Chatterjee, Joint Secretary, Ministry of Labour and Employment.
- (ii) Shri K. N. Valenkar, Deputy Housing Adviser, Ministry of Works, Housing and Supply.
- (iii) Shri H. K. Kochar, Deputy Secretary, Ministry of Commerce and Industry.
- (iv) Shri A. S. Bam, Chairman, Tea Board, Calcutta, or alternatively, Shri K. M. Kidwai, Director of Tea Development, Tea Board, Calcutta.
- (v) Shri Gurdev Saran, Under Secretary, Ministry of Finance (Works).
- (vi) Shri S. S. B. Raghavan, Assistant Chief (Housing), Planning Commission.

Shri N. N. Chatterjee, Joint Secretary in the Ministry of Labour and Employment, will act as the convener of meetings of the Working Group.

2. The terms of reference of the Working Group will be :—

- (a) to assess the total cost of provision of houses of approved standards for plantation workers and their families not yet provided with such houses and the resources available to employers for this purpose including loan facilities under the Plantation Labour Housing Scheme and those provided by banks;
- (b) to suggest how the existing loan facilities may be improved, whether further facilities for loans should be provided, and whether loans can be had from the Life Insurance Corporation for construction of workers' houses under the Plantations Labour Act;
- (c) to recommend whether, in addition to loans assistance by way of subsidies should be provided by Government and if so, how and to what extent such assistance should be given;
- (d) to consider whether the entire cost of construction of workers' houses could be charged to the revenue account so that 100 per cent development rebate would be allowable to employers for purposes of income-tax without affecting the profits for disbursement of bonus to plantation workers;
- (e) to examine whether the annual rate of construction of workers' houses prescribed in the Plantations Labour Rules should be modified; and
- (f) to make any other suggestions for completion of the housing programme for plantation workers within a reasonable time.

Yours faithfully,

Sd/- R. M. DOIPHODE  
Deputy Secretary.

Copy to :—

1. The Ministries of Works, Housing and Supply, Commerce and Industry and Finance.
2. Planning Commission.
3. The Secretary, Tea Board, 14, Brabourne Road, Calcutta.
4. Press Information Bureau.

Sd/- R. M. DOIPHODE  
Deputy Secretary.

## APPENDIX III

### Employers' Organizations whose representatives met the Working Group on Plantations Labour Housing.

Sl. No.	Date	Place	Name of Association
1.	27-9-62	Tea Board's Office Calcutta	Indian Tea Association.
2.		Do.	Tea Association of India.
3.		Do.	I.T.P.A.
4.		Do.	Tripura Tea Association.
5-8.	22-10-63	Office of the A.T.P.A., Jorhat	A.T.P.A., Bharatiya Cha Parishad. Assam Branch Indian Tea Association, Surma Valley Branch Tea Association.
9-11.	19-1-63	Coimbatore .. .. .	UPASI, Ms. Stanes & Co. Ltd., Mysore, Indian Planters Association.
12.	22-4-63	Agartala .. .. .	24 persons representing certain estates in Tripura.

### Workers' Organizations whose representatives met the Working Group on Plantations Labour Housing.

Date	Place	Name of Organisation
27-9-62	Office of the Tea Board, Calcutta.	I.N.T.U.C., A.I.T.U.C., H.M.S.
22-10-62	Jorhat (Circuit House) ..	Assam Cha Mazdoor Sangha, Assam Cha Karmachari Sangha Staff Association.
19-1-63	Coimbatore .. .. .	South Indian Plantations Workers' Union, Munnar, Tamilnad Plantation Workers' Union, Valparai, Neelamalai Plantations Workers' Union, Nilgiri District Plantation Workers' Union, Nilgiri Plantations Workers' Association.
22-4-63	Tripura (Agartala) .. .. .	Tripura Cha Mazdoor Union.

### List of estates visited by the Working Group on Plantations, Labour Housing.

Sl. No.	Date	Name of estate	Area
1.	23-10-62	Nahorbari .. .. .	Golaghat, Assam.
2.	Do.	Abhoyjan .. .. .	Do.
3.	Do.	Hoolunguree .. .. .	Do.
4.	24-10-63	Cinnamara .. .. .	Mariane, Assam.
5.	16-1-63	Konney .. .. .	Quilon, Kerala.
6.	Do.	Lahai .. .. .	Do.
7.	17-1-63	Trivandrum Rubber & Tea Plantations.	Kottayam, Kerala.
8.	Do.	Malankarai (Rubber)	Ernakulam, Kerala.
9.	16-1-63	Kan Kan Halla (Coffee)	Mysore
10.	Do.	Malleswara (Coffee)	Do.

Sl. No.	Date	Name of estate	Area
11.	16-1-63	Bajnecool (Coffee) .. ..	Mysore
12.	Do.	Wottaksan (Coffee) .. ..	Do.
13.	Do.	Gaurishankar (Coffee) .. ..	Do.
14.	17-1-63	Yellekochgi (Coffee) .. ..	Do.
15.	18-1-63	Ouchterlony Valley (Estates) .. ..	Madras.
16.	Do.	Royal Valley .. ..	Do.
17.	Do.	Prospect Tea Estate .. ..	Do.
18.	14-3-63	Gairkata .. ..	Dooars, West Bengal.
19.	Do.	Vinagura .. ..	Do.
20.	Do.	Kalchini .. ..	Do.
21.	Do.	Malanji .. ..	Do.
22.	15-3-63	Hossainabad .. ..	Do.
23.	Do.	Bamondanga .. ..	Do.
24.	Do.	Bata Bari .. ..	Do.
25.	Do.	Sonagachi .. ..	Do.
26.	Do.	Chalouni .. ..	Do.
27.	Do.	Good Hope .. ..	Do.
28.	14-3-63	Chandmoni .. ..	Terai, West Bengal.
29.	Do.	Sukna .. ..	Do.
30.	Do.	Sayeedabad .. ..	Jalpaiguri, West Bengal.
31.	Do.	Rishihat .. ..	Do.
32.	Do.	Broomfield .. ..	Do.
33.	22-4-63	Adarini .. ..	Tripura.
34.	Do.	Fatikcherra .. ..	Do.
35.	Do.	Mantala .. ..	Do.
36.	23-4-63	Chincoorie .. ..	Cachar
37.	Do.	Silcoorie .. ..	Do.
38.	Do.	Bagh. O. Bahar .. ..	Do.
39.	24-4-63	Chandighat .. ..	Do.
40.	Do.	Baloorband .. ..	Do.

**TEA INDUSTRY**

**QUESTIONNAIRE I**

*(For Employers)*

**PART I**

**GENERAL INFORMATION**

1. Name of estate.
2. Location.
3. Registered acreage.
4. Area under cultivation.
5. Name and address of employer.
6. Organisation, if any, to which the employer is affiliated.
7. If the employer is a Company, whether it is Private Ltd., or Public Limited Company and whether incorporated in India with Rupee capital or outside India with Sterling or other foreign capital?
8. Number of workers (as defined in the Plantations Labour Act, 1951) by categories *e.g.*, Skilled, Unskilled and Clerical employed in the estate.

## PART II

### FINANCIAL POSITION

#### Capital

1. Please supply copies of the Profit and Loss Account for each year for the period 1956—61. If there was loss in any year, what in your opinion, were the reasons therefor?

*Explanation :* Profits for purposes of this question should be construed to mean trading surplus, without deducting Depreciation, Agents Commission, Donations, Taxes and Profits, provision for bonus for the year in question after adding thereto payment of bonus during the year for previous years; and loss should be construed similarly as a trading loss.

2. Please give the percentage breakdown of the main components of cost of production and selling expenses to the Gross Realisations based on Cochin or Calcutta auction equivalent prices for the year 1956—61 (Please fill in Annexures A & B).

3. (a) Give the Capital history of your concern.

(b) Have your estates issued Bonus shares? If so, please give details of their issues.

#### Dividend

4. (a) What were the dividend rates paid by your estate during each of the years 1956 to 1961?

(b) Are the dividend rates calculated on the market value of shares or on book value? If on the former what will be the rate on the book value of shares? If on the latter basis (*i.e.*, book value), what will be the rate on the market value of the shares?

(c) In particular please give the percentage of dividend declared on :—

(i) The original paid-up capital.\*

(ii) Total paid-up capital including bonus shares.

(iii) Whether subject to tax or free of tax?

(iv) Whether dividends were paid from profits, and/or from Reserve Funds in any particular year?

(\*The effective dividend on Original paid-up capital should be given where bonus shares have been issued and the dividend is also on Bonus shares.)

(d) What is your reaction to the proposal for lowering the rates of dividend where, on the book value of shares, the rate is more than 10 per cent so as to find more funds for construction of houses ?

#### **Loan or Investment**

5. Is any part of the funds of your Unit lent or otherwise utilised to finance other undertakings ? If so, please give details of such loan or investments and the reasons therefor, as well as any relationship between such undertakings and yours.

#### **Over-Head Charges**

6. (a) Please furnish the following particulars regarding :—

(1) Managerial Staff including Deputy Assistant Managers; and

(2) Senior Staff other than Managerial staff, employed in your estate during the years 1960, 1961 and 1962 :

(i) Number employed, and

(ii) Rates of pay, allowances and concessions in cash and kind (such as, pension, provident fund, free quarters or house allowances, marriage allowances, children's allowance, conveyance allowances, servant allowances or free servants, leave etc.)

[Particulars for Indian and non-Indian personnel should be shown separately.]

(b) Are any commissions paid to the Managerial staff and Senior staff other than Managerial staff ? If so, what are the rates at which commissions are paid ? What were the actual amounts paid in the years 1960, 1961 and 1962 ? Please furnish particulars in the form given below :—

#### *Amount paid as commission to*

Year	Managerial staff including Deputy and Assistant Managers	Senior staff other than Managerial staff	Total
1960 ..			
1961 ..			
1962 ..			

(c) Please furnish the following particulars regarding the supervisory (including Head Moharrirs, Mazarris, Maistries, Sardars, etc.), clerical, technical and inferior (i.e., Durwans, Peons, Chowkidars, etc.) staff employed in the estate :

(i) Number employed.

(ii) Rates of pay and other allowances and concessions.

#### **Depreciation**

7. (a) What is the basis on which depreciation is provided in your accounts in respect of your buildings, plant and machinery and other accessories ?



(b) Have you been providing depreciation including provision for rehabilitation of planted acreage and what is the total depreciation provided so far? Is the amount provided for depreciation funded separately?

(c) How has the depreciation fund been used from time to time? How is it invested?

(d) What was the depreciation allowed by the Income-tax authorities in the years 1959, 1960 and 1961?

[Separate figures of depreciation for normal and multishift allowances should be given.]

(e) (i) Do the value of fixed assets shown in your books represent actual costs?

(ii) Was any revaluation made of any of your assets in the past? If so, give particulars of the revaluation.

### **Reserve Fund**

8. (a) Are you maintaining a Reserve Fund? If so, what was the amount of the Reserve Fund during each of the years from 1956 to 1961 and how was the Reserve Fund utilised during each of these years?

(b) Is any utilisation of the Reserve Fund or profits of the estate being made to buy other estates or float other Companies? If so, please give details of such utilisation during the years 1951 to 1962.

### **Labour Charges**

9. (a) (i) What were the different amounts of wage rates and D.A. paid to workers—men, women, adolescents and children (permanent, temporary and casual) in the years 1952, 1957 and 1962?

(ii) Were any allowances or other monetary concessions paid in addition to wages and D.A. during the years mentioned under (i) above? If so, please give details.

(iii) What are your new liabilities due to the implementation of the interim recommendations of the Wage Board?

(iv) What were the rates and amount of bonuses paid to workers during each of the years mentioned under (i) above?

(b) Please give for the years 1952, 1957 and 1962 expenditure incurred by you in respect of medical facilities and other amenities for workers prescribed under the Plantations Labour Act. (other than housing for labour).

### **Methods of Financing**

10. (a) (i) What are your present needs of funds for the improvement, or renovation of the permanent assets of your Tea gardens, such as, land

including planting, buildings, machinery and plant, installation and equipment and other assets to maintain and continue the working of the gardens on sound lines? Please indicate purposes for which the funds are required.

(ii) Please give an estimate of your requirements with reference to any plans and proposals you may have.

(iii) If the expenditure is to be spread over a number of years, please indicate the proposed rate of expenditure each year for the next 5 years.

(b) (i) What is your estimate of your normal requirements of working capital for the production and marketing of your crop every year?

(ii) What was the expenditure under this head during each of the last three years and what is the estimated expenditure for the next year?

(c) (i) What are the sources from which you ordinarily obtain funds for

(a) capital expenditure (for effecting additions and improvements to your permanent assets), and

(b) normal working expenses?

(ii) Are they

(a) your own resources like reserves?

(b) loans or advances from Managing Agents?

(c) Loans or advances from Commercial Banks, Indian and non-Indian?

(d) advances from Tea Brokers?

(e) advances from other agencies?

(iii) Please indicate the amounts applied for and received under these heads during the last three years to show their relative importance.

(d) Please indicate

(i) the procedure usually followed by you to get the finance you need,

(ii) nature of the securities usually required by banks and others for different kinds of loans,

(iii) nature of the difficulties, if any, experienced in getting funds as and when required.

(e) Please state the rates of interest and any other charges you have to pay for these loans. Have you any special difficulties or complaints in this respect?

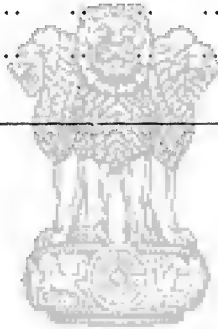
(f) Besides income from Tea, do you derive any other income from your estate? If so, please give details. How is this income shown in your accounts?

**ANNEXURE 'A'**  
(See Question No. 2)

	Amount	Percentage
Gross realisation, in terms of Calcutta or Cochin quotation prices		
Investment income .. .. .		
Other revenue income .. .. .		
Total receipts ..		
Depreciation charged in accounts .. .. .		
Interest on borrowings .. .. .		
Director's fees .. .. .		
Managing Agency, Secretariat and other administrative expenses		
Transport charges to auction centre .. .. .		
Selling charges at auction .. .. .		
Insurance .. .. .		
Garden management expenses .. .. .		
Garden-field, factory and office subordinate staff expenses ..		
Garden Supervisory (equivalent to foremen) expenses .. ..		
Labour Pay, D.A. and piece rate payment .. .. .		
Labour Bonus payment :		
Protective clothing .. .. .		
Gratuity .. .. .		
Provident Fund .. .. .		
Leave with wages .. .. .		
Sickness benefit .. .. .		
Maternity allowance .. .. .		
Cost of issue of rice and foodgrains at fixed price ..		
Labour Housing .. .. .		
Other labour expenses .. .. .		
Medical expenditure .. .. .		
Expenditure on education .. .. .		
Fertilisers .. .. .		
Dusting, Spraying materials .. .. .		
Other chemicals for crop protection .. .. .		
Repairs and renovations to buildings .. .. .		
Repairs to machinery .. .. .		
Packing materials .. .. .		
Estate stores not covered by the above items .. .. .		
Land rent and land tax .. .. .		
Green leaf transport .. .. .		
Fuel, oil and electric power .. .. .		
Give details of other major items of expenditure .. .. .		
Remaining expenditure on minor items .. .. .		
Total expenditure ..		
Net Profits ..		

**ANNEXURE 'B'**  
(See Question No. 2)  
**Appropriation of Profits**

	Amount	Percentage
Profits shown in Annexure 'A' .. .. .		
Taxation .. .. .		
Capital expenditure on Plantations Labour Act Items ..		
Other Capital expenditure on gardens, buildings and machinery		
Payment of debts and other liabilities .. .. .		
Appropriations to Reserve funds and additions to or deductions from carry forward .. .. .		
State which is applicable .. .. .		
Investments .. .. .		
Dividends .. .. .		



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## PART III

## LABOUR HOUSING

1. What was the average number of workers (men, women, adolescents and children to be shown separately) employed in your estate during each of the last three years 1960, 1961 and 1962? How many of them were permanent, and how many temporary?

2. (a) Of the labour force employed in your estate, how many are living in the estate?

(b) What is the number of non-working dependants living in the estate?

(c) How many of the resident workers referred to under (a) above, have been provided with living quarters?

(d) How many of these quarters conform to approved standards and specifications, as on 31st December, 1962?

(e) How many of the houses under (d) above are :—

Pucca

Semi-pucca and

Kutchra

3. (a) What was the number of houses in existence on the estate (for accommodating resident workers and their families) on the 31st December, 1956?

(b) How many of these houses conformed to prescribed standards and specifications?

4. (a) What was the average number of resident workers in the estate during each year from 1956 to 1962 and how many houses were provided for them during each of these years?

(b) How many of the houses under (a) above conformed to approved standards and specifications and how many were pucca, semi-pucca and kutchra?

[Separate figures for newly constructed houses conforming to approved standards and also for the houses of requisite standards provided by remodeling existing houses should be given.]

5. (a) What was the approximate expenditure incurred each year (1956—1962)—

(i) on the construction of new houses of approved standards;

(ii) on the provision of houses of approved standards by remodeling the existing ones; and

(iii) on the construction of houses not conforming to approved standards and specifications?

(b) What was the approximate expenditure incurred each year on the maintenance of houses already provided? [Separate figures for each of the three categories mentioned in (a) above should be given].

(a) What is the total shortfall in terms of number of houses of approved standards as on 31st December, 1962 from the percentage target prescribed under the Plantations Labour Rules?

(b) Was the shortfall referred to above, due solely to the inadequacy of financial resources or to other causes, *i.e.*, non-availability of building materials etc.? Please explain.

7. What would be the approximate cost of construction of houses if the shortfall under 6(a) above is to be made good? (Please explain in detail how the cost has been calculated.)

8. (a) How much of the amount of finance in respect of 7 above is likely to be available from the estate's own resources over the next 5 years, *i.e.*, 1963 to 1968? (For this purpose it may be assumed that the future profits will be on the level of average profits available during the 3 years 1960, 1961 and 1962).

(b) What is the amount of finance in respect of 7 above which the estate can borrow from banks or other private sources?

(c) What is the amount of finance for this purpose which the estate would prefer to obtain from Government as interest-bearing loan and repayable in 30 years, assuming that no subsidies are given?

(d) What kind of security the estate can furnish for getting such a loan?

(e) What is the amount of finance which the estate would be unable to secure by way of loans?

(f) Is there need for a Government subsidy for plantation labour housing? What should be the quantum of such subsidy keeping in view the 25 per cent subsidy under the Industrial Housing Scheme? On what data do you base any claims to subsidy for an obligation statutorily imposed?

9. To what extent should the existing statutory target of building houses for resident workers be reduced in case the estate is to carry on the annual programme of construction of houses without any financial assistance from the Government other than what is provided under the Plantation Labour Housing Scheme at present?

10. Should there be different annual targets for construction of workers' houses in respect of uneconomic gardens? What should be the criterion for determining whether a garden is economic or not?

11. Have you availed of loan facilities provided under the Plantation Labour Housing Scheme for construction of workers' house? If so, please

give details thereof. Please also give particulars about the number of houses so far constructed/being constructed with loan assistance provided under the Plantation Labour Housing Scheme.

12. (a) If you have not so far availed of the loan facilities under the Plantation Labour Housing Scheme, please state the reasons therefor. Please also give your views and suggestions, if any, for improving the Scheme.

(b) What further facilities for loans should be provided for construction of workers' houses ?

13. Do you want any changes to be made in the standards and specifications prescribed for workers' houses ?

14. Are you able to get enough quantities of cement and other building materials for construction of workers' houses ? If not what are your suggestions for improving the supply of these materials ?

15. Do you think that the Development Rebate already allowed for construction of workers' houses is not adequate ? If so, why ?

16. Do you consider whether the entire cost of construction of workers' houses would be charged to the revenue account so that 100 per cent development rebate would be allowable to employers for purposes of income tax without affecting the profits for disbursement of bonus to plantation workers ?

17. Have you to make any other suggestions for completion of the housing programme for plantation workers within a reasonable time ?

नमो भगवते वासुदेवाय

## QUESTIONNAIRE II

(For Workers)

1. Do you agree with the employers' plea that they are not able to construct workers' houses according to the statutory targets due to financial difficulties? Please give reasons, if you do not subscribe to this view.

2. Have you any suggestions to make for improving the Plantation Labour Housing Scheme?

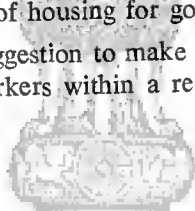
3. Do you think that additional facilities by way of grant of loans and/or subsidy be provided to planters for construction of workers' houses? If so, to what extent?

4. Do you consider that standards and specifications prescribed for workers' houses should be revised? If so, please give suggestions.

5. What is your estimate of the cost of construction of a house according to approved standards?

6. Would you agree to the suggestion that the statutory target should be lower as planters have generally not been able to construct houses according to this target? Do you think that different targets be laid down for uneconomic plantations? If so, what should be the criterion for such plantations and what should be the standards of housing for good and uneconomic gardens?

7. Have you any other suggestion to make for the completion of housing programme for plantation workers within a reasonable time?



सत्यमेव जयते



### QUESTIONNAIRE III

*(For State Governments)*

1. Please give particulars regarding the number of estates covered under the Plantations Labour Act, 1951, number of workers employed therein and the number of houses constructed for them etc., in Proforma 'A'.
2. If there is shortfall in the provision of houses of approved standards provided for plantation workers according to the statutory target, what according to the State Government is the reason for this shortfall?
3. Has any exemption been given (or is under consideration) to any plantations from the provisions relating to housing? If so, please give details and also the grounds therefor.
4. Have any employers been prosecuted since 1957 for non-compliance with the provisions of the Plantations Labour Act relating to houses? If so, please give details thereof.
5. Do the State Government consider that construction of houses and other obligations under the Plantations Labour Act should take precedence over replacement of machinery and similar development charges? Have the State Government issued any instructions to the officials in this regard? If so, 10 copies of those instructions may please be added.
6. Do the State Government consider that the financial position of the estates is not sound enough for construction of workers' houses and for meeting other obligations under the Plantations Labour Act without assistance in the form of loans, subsidy etc.? If so, please explain in detail.
7. Please give a progress report on the working of the Plantation Labour Housing Scheme in your State. Do you consider that allocation under the Third Five Year Plan for the Plantation Labour Housing Scheme is inadequate? If so, please give an estimate of the additional funds required by the State Government during the remaining Plan period.
8. Have the State Government received any complaint that due to the stringent security conditions attached to repayment of loans under the Plantation Labour Housing Scheme, planters are not able to avail of the assistance provided under the Scheme? If so, what steps are being taken by the State Government to remedy the situation?
9. Have the State Government set up a Pool Guarantee Fund on the lines suggested by the Ministry of Works, Housing and Rehabilitation?
10. Have the State Government any suggestions to make for improving the Plantation Labour Housing Scheme?

11. Do you consider that in addition to loan facilities available under the Plantation Labour Housing Scheme, further facilities by way of grant of loans or subsidy should also be provided to employers for construction of workers' houses? If so, give particulars of additional loan facilities and/or subsidy which may be provided.

12. If a subsidy is granted what should be the quantum of such a subsidy? Will the State Government share the cost thereof with the Central Government?

13. Please furnish particulars of standards and specifications prescribed for workers' houses. Is the State Government contemplating any modifications in these standards? If so, please give details as to the costs involved.

14. What is the estimated cost of a house constructed according to approved standards and specifications? Do the State Government consider that the standards and specifications be revised to reduce costs in view of the employers' reported inability to construct houses for workers?

15. What according to the State Government, shall be the criterion for an uneconomic garden for this purpose? How many gardens in the State will come under the category of uneconomic gardens?

16. Do the State Government consider that uneconomic gardens especially should be given some concession in respect of meeting their obligations under the Plantations Labour Act (specially housing)?

17. Do the State Government consider that the statutory rate of construction should be revised? If so, to what extent? Should there be different rates for uneconomic gardens?

18. Is the State Government allowing any Development Rebate on the houses constructed for workers, in the assessment of Agricultural Income Tax? If so, please give details.

19. Do the State Government consider that the entire cost of construction of workers' houses might be charged to the revenue account so that 100 per cent development rebate would be allowable to employers for purposes of Income Tax without affecting the profits for disbursement of bonus to plantation workers?

20. Please give details of the local taxes imposed on the plantation industry since 1956.

21. The planters have complained that they do not get regular and adequate supplies of building materials for constructing workers' houses. What should be done to ensure regular and adequate supply of building materials to planters?

22. Have the State Governments any other suggestions to make for completion of the housing programme for plantation workers within a reasonable time, i.e., within the next 10 years?

## PROFORMA 'A'

(See Question No. 1)

(Information in this proforma should be given in respect of each year from 1951 to 1952 separately.)

1. Total Number of workers in plantations.
2. Total number of resident workers in plantations.
3. Total number of families of resident workers actually residing in plantations.
4. Total number of houses required to be constructed for the resident workers and their families.
5. Total number of houses of approved standards existing on the 31st December, of previous year.
6. Total number of houses of approved standards provided during the year.
7. Are any of these houses remodelled old houses conforming to approved standards.

NOTE.—If possible, figures of Pucca, Semi-pucca and Kutchha houses under 5 and 6 above may also be given.

## SUPPLEMENTARY QUESTIONNAIRE

(For Employers, Employers' Associations and Workers' Associations)

1. Do you think that small estates which are contiguous may be allowed to set up housing colonies for their workers on a joint basis wherever feasible so as to have a better layout plan for the colony and to provide common services like drinking water etc. at less cost?

2. What is your reaction to the proposal that housing colonies for plantation workers may be constructed by Government wherever feasible (as in the case of Coal and Mica miners) if the planters pay in suitable instalments the entire cost to the Government or the difference between the entire cost and the amount which may be allowed by way of subsidy and/or loan towards this cost?

3. Do you agree that plantation workers may be allowed to form Co-operative Housing Societies wherever feasible which may construct houses for workers (which will be eventually owned by the workers) by taking advantage of the various concessions allowed to such Societies as under the Subsidised Industrial Housing Scheme, by Government?

**APPENDIX IV**

**COFFEE AND RUBBER INDUSTRIES**  
**QUESTIONNAIRE I**  
(For Employers' Associations)

**PART I**

*Financial Position*

**General**

1. Please give a general picture of the financial position of the Coffee/Rubber Plantation Industry with special reference to the trend of profits and losses during the period 1956-1961.

2. Please give the following information in respect of three typical estates, i.e. one prosperous, another marginal and the third uneconomic, for the period 1956—61 :—

- (a) Area under Coffee/Rubber
- (b) Production
- (c) Employment
- (d) Gross profits
- (e) Expenditure incurred on pay and allowances of labour and staff, supplies and services and payment of taxes and debts, investments, capital expenditure and dividends.

NOTE.—The names of the estates need not be mentioned if the Association so desires.

3. How many Coffee/Rubber estates fall under the three categories referred to in Question 2 above ?

**Dividends**

4. (a) What was the range of dividend rates paid generally by the Industry during the years 1956—61

(b) Are the dividend rates calculated generally on the market value of shares or on the book value ?

(c) What is your reaction to the proposal for lowering the rates of dividend where, on the book value of shares, the rate is more than 10 per cent so as to find more funds for construction of houses ?

**Loan or Investments**

5. Is any part of the runs or Coffee/Rubber Estates lent or otherwise used to finance other and unrelated undertakings ? What in general terms is the extent of such practice ?

### Depreciation

6. What is the basis on which depreciation is generally provided in the accounts in respect of buildings, plants, machinery and other accessories? How is the Depreciation Fund used generally?

### Reserve Funds

7. (a) Are the Estates referred to in question 2 above maintaining Reserve Funds? If so, how are they utilised?

(b) Is any utilisation of Reserve Funds or profits being made to buy other estates or float other Companies? What in general terms is the extent of such utilisation?

### Labour Charges

8. (a) *Wages* :

- (i) What were the different rates of wages and D.A. paid to workers—men, women, adolescents and children (Permanent, temporary and casual) in the years 1952, 1957 and 1962?
- (ii) Were any allowances or other monetary concessions paid in addition to wages and D.A. during the years mentioned under (i) above? If so, please give details.
- (iii) What are the new liabilities due to the implementation of the interim recommendations of the Wage Board?

(b) *Bonus* :

- (i) Give the bonus history of the industry for the last 10 years.
- (ii) Is the practice of paying bonus industry-cum-region-wise or unit-wise?
- (iii) Is the bonus linked to the profits of the unit? Or, is it paid even if there is no profit for the unit?

(c) *Provident Fund and Gratuity* :

Please give details of the Provident Fund and/or Gratuity Scheme in force in the industry.

### Rehabilitation

9. (i) What, in your opinion, is the average economic life of a Coffee plant/Rubber tree? What is your estimate of replanting an acre of Coffee/Rubber?

(ii) What, in your opinion, are the requirements of the industry in the next ten years on account of :

- (a) replacement and rehabilitation of existing assets;
- (b) development and extension?

**Methods of Financing**

10. A. (a) What are the sources from which the Coffee/Rubber Industry ordinarily obtains funds for

- (i) capital expenditure (for effecting additions and improvements to permanent assets), and
- (ii) normal working expenses.

(b) Are they

- (i) their own resources like reserves,
- (ii) loans or advances from Managing Agents,
- (iii) loans or advances from Commercial Banks, Indian and non-Indian,
- (iv) advances from Coffee curing establishments/dealers,
- (v) advances from other agencies.

B. Please indicate :—

- (i) the procedure usually followed by the Industry to get the finance they need,
- (ii) nature of the securities usually required by banks and others for different kinds of loans,
- (iii) nature of the difficulties, if any, experienced in getting funds as and when required.

C. Please state the rates of interest and any other charges industry has to pay for these loans. Has the industry any special difficulties or complaints in this respect ?

D. Besides income from Coffee/Rubber, do the Coffee/Rubber Estates derive any other income from the estate. If so, please give details..

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## PART II

### LABOUR HOUSING

1. (i) What is the average number of workers in Coffee/Rubber estates as on 31-12-62? Please give separate figures for resident and non-resident workers.

(ii) What is the number of family units residing in estates as on 31-12-62?

2. (i) What is the number of houses of approved standards provided in the estates as on 31-12-62?

(ii) What is the number of houses of approved standards that remained to be provided as on 31-12-62?

3. (i) Please furnish particulars of standards and specifications prescribed by the State Governments for workers' houses. What is the cost of constructing per unit according to those standards?

(ii) What will be the total cost of construction of houses referred to in 2(ii) above. Please explain in detail how the cost has been calculated.

4. (a) How much of the amount of finance in respect of 3(ii) above is likely to be available from the industry's own resources over the next 5 years, i.e. 1963 to 1968? (For this purpose it may be assumed that the future profits will be on the level of average profits available during the 3 years 1960, 1961 and 1962).

(b) What is the amount of finance in respect of 3(ii) above which the industry can borrow from banks or other private sources?

(c) What is the amount of finance for this purpose which the industry would prefer to obtain from Government as interest-bearing loan and repayable in 30 years, assuming that no subsidies are given?

(d) What kind of security can the Coffee/Rubber estates furnish for getting such a loan.

(e) What is the amount of finance which the industry would be unable to secure by way of loans?

(f) Is there a case in your opinion for the grant of a Government subsidy for Plantation Labour Housing? On what data do you base any claims for subsidy for an obligation statutorily imposed? What should be the subsidy keeping in view that 25 per cent subsidy is allowed under the Subsidised Industrial Housing Scheme?

5. Is there a case in your opinion for reduction of the existing statutory target of building houses for resident workers in case the industry is to

carry on the annual programme of construction of houses without any financial assistance from the Government other than what is provided under the Plantation Labour Housing Scheme at present?

6. Should there be different annual targets for construction of workers' houses in respect of uneconomic gardens? What should be the criterion for determining whether a garden is economic or not?

7. Have some of the estates availed of loan facilities provided under the Plantation Labour Housing Scheme for construction of workers' houses? If so, please give details thereof. Please also give particulars about the number of houses so far constructed/being constructed with loan assistance provided under the Plantation Labour Housing Scheme.

8. (a) If many estates have not so far availed of the loan facilities under the Plantation Labour Housing Scheme, please state the reasons therefor. Please also give your views and suggestions, if any, for improving the Scheme.

(b) What further facilities for loans should be provided for construction of workers' houses?

9. Do you want any changes to be made in the standards and specifications prescribed for workers' houses?

10. Are the estates able to get enough quantities of cement and other building materials for construction of workers' houses? If not what are your suggestions for improving the supply of these materials?

11. Do you think that the Development Rebate already allowed for construction of workers' houses is not adequate? If so, why?

12. Do you consider whether the entire cost of construction of workers' houses should be charged to the revenue account so that 100 per cent development rebate would be allowable to employers for purposes of income tax without affecting the profits for disbursement of bonus to plantation workers?

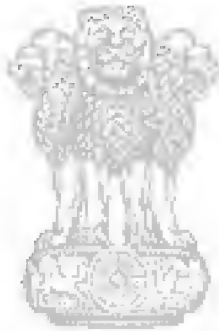
13. Do you think that small estates which are contiguous may be allowed to set up housing colonies for their workers on a joint basis wherever feasible so as to have a better layout plan for the colony and to provide common services like drinking water etc. at less cost?

14. What is your reaction to the proposal that housing colonies for plantation workers may be constructed by Government wherever feasible (as in the case of Coal and Mica miners) if the planters pay in suitable instalments the entire cost to the Government or the difference between the entire cost and the amount which may be allowed by way of subsidy and/or loan towards this cost?



15. Do you agree that plantation workers may be allowed to form Cooperative Housing Societies wherever feasible which may construct houses for workers (which will be eventually owned by the workers) by taking advantage of the various concessions allowed to such Societies as under the Subsidised Industrial Housing Scheme, by Government ?

16. Have you to make any other suggestions for completion of the housing programme for plantation workers within a reasonable time ?



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## QUESTIONNAIRE II

*(For Workers)*

1. Do you agree with the employers' plea that they are not able to construct workers' houses according to the statutory targets due to financial difficulties? Please give reasons, if you do not subscribe to this view.

2. Have you any suggestions to make for improving the Plantation Labour Housing Scheme?

3. Do you think that additional facilities by way of grant of loans and/or subsidy be provided to planters for construction of workers' houses? If so, to what extent?

4. Do you consider that standards and specifications prescribed for workers' houses should be revised? If so, please give suggestions.

5. What is your estimate of the cost of construction of a house according to approved standards?

6. Would you agree to the suggestion that the statutory target should be lower as planters have generally not been able to construct houses according to this target? Do you think that different targets be laid down for uneconomic plantations? If so, what should be the criterion for such plantations and what should be the standards of housing for good and uneconomic gardens?

7. Do you think that small estates which are contiguous may be allowed to set up housing colonies for their workers on a joint basis wherever feasible so as to have a better layout plan for the colony and to provide common services like drinking water etc. at less cost?

8. What is your reaction to the proposal that housing colonies for plantation workers may be constructed by Government wherever feasible (as in the case of Coal and Mica miners) if the planters pay in suitable instalments the entire cost to the Government or the difference between the entire cost and the amount which may be allowed by way of subsidy and/or loan towards this cost?

9. Do you agree that plantation workers may be allowed to form Co-operative-Housing Societies wherever feasible which may construct houses for workers (which will be eventually owned by the workers) by taking advantage of the various concessions allowed to such Societies as under the Subsidised Industrial Housing Scheme, by Government?

10. Have you any other suggestion to make for the completion of housing programme for plantation workers within a reasonable time?

### QUESTIONNAIRE III

(For State Government)

1. Please give particulars regarding the number of estates covered under the Plantations Labour Act, 1951, number of workers employed therein and the number of houses constructed for them etc., in Proforma 'A'.

2. If there is shortfall in the provision of houses of approved standards provided for plantation workers according to the statutory target, what according to the State Government is the reason for this shortfall?

3. Has any exemption been given (or is under consideration) to any plantations from the provisions relating to housing? If so, please give details and also the grounds therefor.

4. Have any employers been prosecuted since 1957 for non-compliance with the provisions of the Plantations Labour Act relating to houses? If so, please give details thereof.

5. Do the State Government consider that construction of houses and other obligations under the Plantations Labour Act should take precedence over replacement of machinery and similar developmental charges? Have the State Government issued any instructions to the officials in this regard? If so, 10 copies of those instructions may please be added.

6. Do the State Government consider that the financial position of the estates is not sound enough for construction of workers' houses and for meeting other obligations under the Plantations Labour Act without assistance in the form of loans, subsidy etc.? If so, please explain in detail.

7. Please give a progress report on the working of the Plantation Labour Housing Scheme in your State. Do you consider that allocation under the Third Five Year Plan for the Plantation Labour Housing Scheme is inadequate? If so, please give an estimate of the additional funds required by the State Government during the remaining Plan period.

8. Have the State Government received any complaint that due to the stringent security conditions attached to repayment of loans under the Plantation Labour Housing Scheme, planters are not able to avail of the assistance provided under the Scheme? If so, what steps are being taken by the State Government to remedy the situation?

9. Have the State Government set up a Pool Guarantee Fund on the lines suggested by the Ministry of Works, Housing and Rehabilitation?

10. Have the State Government any suggestions to make for improving the Plantation Labour Housing Scheme?

11. Do you consider that in addition to loan facilities available under the Plantation Labour Housing Scheme, further facilities by way of grant of loans or subsidy should also be provided to employers for construction of workers' houses? If so, give particulars of additional loan facilities and/or subsidy which may be provided.

12. If a subsidy is granted, what should be the quantum of such a subsidy. Will the State Government share the cost thereof with the Central Government?

13. Please furnish particulars of standards and specifications prescribed for workers' houses. Is the State Government contemplating any modifications in these standards? If so, please give details as to the costs involved.

14. What is the estimated cost of a house constructed according to approved standards and specifications? Do the State Government consider that the standards and specifications be revised to reduce costs in view of the employers reported inability to construct houses for workers?

15. What according to the State Government, shall be the criterion for an uneconomic garden for this purpose? How many gardens in the State will come under the category of uneconomic gardens?

16. Do the State Government consider that uneconomic gardens especially should be given some concession in respect of meeting their obligations under the Plantations Labour Act (specially housing)?

17. Do the State Government consider that the statutory rate of construction should be revised? If so, to what extent? Should there be different rates for uneconomic gardens?

18. Is the State Government allowing any Development Rebate on the houses constructed for workers, in the assessment of Agricultural Income Tax? If so, please give details.

19. Do the State Government consider that the entire cost of construction of workers' houses might be charged to the revenue account so that 100% development rebate would be allowable to employers for purposes of Income Tax without affecting the profits for disbursement of bonus to plantation workers?

20. Please give details of the local taxes imposed on the plantation industry since 1956.

21. The planters have complained that they do not get regular and adequate supplies of building materials for constructing workers' houses. What should be done to ensure regular and adequate supply of building materials to planters?

22. Do the State Government consider that small estates which are contiguous may be allowed to set up housing colonies for their workers on

a joint basis wherever feasible so as to have a better layout plan for the colony and to provide common services like drinking water etc. at less cost ?

23. What is the State Government's reaction to the proposal that housing colonies for plantation workers may be constructed by Government wherever feasible (as in the case of Coal and Mica miners) if the planters pay in suitable instalments the entire cost to the Government or the difference between the entire cost and the amount which may be allowed by way of subsidy and/or loan towards this cost ?

24. Do the State Government agree that plantation workers may be allowed to form Cooperative Housing Societies wherever feasible which may construct houses for workers (which will be eventually owned by the workers) by taking advantage of the various concessions allowed to such Societies as under the Subsidised Industrial Housing Scheme, by Government ?

25. Have the State Governments any other suggestions to make for completion of the housing programme for plantation workers within a reasonable time, i.e., within the next 10 years ?

#### PROFORMA 'A'

(See Question No. 1)

*(Information in this proforma should be given in respect of each year from 1951 to 1962 separately)*

1. Total Number of workers in plantations.
2. Total number of resident workers in plantations.
3. Total number of families of resident workers actually residing in plantations.
4. Total number of houses required to be constructed for the resident workers and their families.
5. Total number of houses of approved standards existing on the 31st December, of previous year.
6. Total number of houses of approved standards provided during the year.
7. Are any of these houses remodelled old houses conforming to approved standards ?

NOTE :—If possible, figures of Pucca, Semi-pucca and Kutcha houses under 5 and 6 above may also be given.

## APPENDIX V

### NAMES OF ESTATES WHO HAVE REPLIED TO THE QUESTION- NAIRE ON TEA

*Name of Estate/Company*

#### ASSAM

- |                                           |                                           |
|-------------------------------------------|-------------------------------------------|
| 1. Alimabad.                              | 29. Raisahib Gangaram Chowdhuri and Sons. |
| 2. Shyamaripore.                          | 30. Madoorie.                             |
| 3. Vernerpur.                             | 31. Dejajuli.                             |
| 4. Sreekona.                              | 32. Banwaripur.                           |
| 5. Amulguri                               | 33. Bahadur.                              |
| 6. Tilka Estate                           | 34. Ansoi.                                |
| 7. Bhutan Duar                            | 35. Halmiramook & Udeyar.                 |
| 8. Aylabari                               | 36. Sadiya Frontier Tea Co. Private Ltd.  |
| 9. Murphulani                             | 37. Sadasiva Estate.                      |
| 10. Mayajan.                              | 38. Amarnagar.                            |
| 11. Bogijan.                              | 39. Pabhojan.                             |
| 12. Baitakhal.                            | 40. Lankshi Tea & Seed Estate.            |
| 13. Chobibari.                            | 41. Radhabari.                            |
| 14. Tamulbari.                            | 42. Gangabari & Mankhowa.                 |
| 15. Shalmari.                             | 43. Derby.                                |
| 16. Bagrodia.                             | 44. Jutlibari.                            |
| 17. Jokai.                                | 45. Jorehaut.                             |
| 18. Baghmari.                             | 46. Cachar Native Joint Stock Co. Ltd.    |
| 19. Padumani.                             | 47. Gopalpur.                             |
| 20. Kunchunpore.                          | 48. Maijagram.                            |
| 21. Sobhaneshwar.                         | 49. Kalline.                              |
| 22. Arcuttipore.                          | 50. Bishnauth.                            |
| 23. Konekor-Dallim.                       | 51. Amgoorie.                             |
| 24. Meedoiijan.                           | 52. Deamoolie.                            |
| 25. Damayanti.                            | 53. Rupai.                                |
| 26. Salonah.                              | 54. Balijan.                              |
| 27. Empire of India & Ceylon Tea Co. Ltd. |                                           |
| 28. Borpani.                              |                                           |

*Assam—Contd.*

- |                                                                                          |                                    |
|------------------------------------------------------------------------------------------|------------------------------------|
| 55. Rajah Alli.                                                                          | 83. New Assam Valley Tea.          |
| 56. Duamare.                                                                             | 84. Assam Estates Ltd.             |
| 57. Telojian.                                                                            | 85. Majagram Tea.                  |
| 58. Boronaljan.                                                                          | 86. Upper Assam Tea Co.            |
| 59. Borbheel.                                                                            | 87. Western Cachar.                |
| 60. Bordubi.                                                                             | 88. Singlo.                        |
| 61. Conramore.                                                                           | 89. Durga.                         |
| 62. Dejoo Valley.                                                                        | 90. Zaloni.                        |
| 63. Tyroon.                                                                              | 91. Dekhari.                       |
| 64. Harmutty.                                                                            | 92. Eastern Assam.                 |
| 65. Sephinjuri.                                                                          | 93. Kamalpur.                      |
| 66. Meleng.                                                                              | 94. Kanan Devan Hills Produce Ltd. |
| 67. Makum.                                                                               | 95. Chubwa Tea Co.                 |
| 68. Namdang.                                                                             | 96. Amluckie.                      |
| 69. Dufflaghur.                                                                          | 97. Roopacherra.                   |
| 70. Dejoo.                                                                               | 98. Rajgarh.                       |
| 71. Doolahat.                                                                            | 99. Moran.                         |
| 72. Chapar (Dooars Assam Union Tea Co. Ltd.)                                             | 100. Koomsong.                     |
| 73. Assam Consolidated Tea Estates (India) Ltd.                                          | 101. Borpukhurie.                  |
| 74. Thanzia Tea Assam Ltd.                                                               | 102. Dimakusi                      |
| 75. British India Tea Co. Ltd.                                                           | 103. East India Tea Co.            |
| 76. Tingamaria Tea Seed Co.                                                              | 104. Borelli.                      |
| 77. Greenwood.                                                                           | 105. Chamong.                      |
| 78. The English & Scottish Joint Cooperative Wholesale Society Ltd. (Deckiajuli Estate). | 106. Kacharigoon.                  |
| 79. Scottish Assam (Tea Co.)                                                             | 107. Tingri.                       |
| 80. Gobindapore.                                                                         | 108. Tongani.                      |
| 81. Derby Tea & Industries Ltd.                                                          | 109. Hoolungooree.                 |
| 82. Anander Bag Tea Co.                                                                  | 110. Doyapore.                     |
|                                                                                          | 111. Tengpani.                     |
|                                                                                          | 112. Betjan.                       |
|                                                                                          | 113. Assam Co. Ltd.                |

**WEST BENGAL**

- |                |                |
|----------------|----------------|
| 1. Katalguri.  | 3. Malhai.     |
| 2. Dheklapara. | 4. Bijohnagar. |

*West Bengal—contd.*

- |                                      |                                      |
|--------------------------------------|--------------------------------------|
| 5. New Dooars.                       | 37. Karala Valley.                   |
| 6. Brook Bond Estates India Ltd.     | 38. All India Tea & Trading Co. Ltd. |
| 7. Pussimbing.                       | 39. Banarhat.                        |
| 8. Hilla.                            | 40. Arya.                            |
| 9. Dooars Tea Co. Ltd.               | 41. Eastern.                         |
| 10. Southern Terai.                  | 42. Nuxalbari.                       |
| 11. Longview.                        | 43. Gopaldhara.                      |
| 12. Rahimpur.                        | 44. Diana.                           |
| 13. Mohurgong & Gulma.               | 45. Hanuman.                         |
| 14. Gillanders Arbuthnot & Co. Ltd.  | 46. Me Leod & Co. Ltd.               |
| 15. Atibari.                         | 47. Balmer Lawri & Co. Ltd.          |
| 16. Putinparee Tea Association Ltd.  | 48. Sukna.                           |
| 17. Ashapur.                         | 49. Gaur Nitya.                      |
| 18. Choibari.                        | 50. Diabari.                         |
| 19. New Glencoe.                     | 51. Fulbari Pattam.                  |
| 20. Friends.                         | 52. Selimbong.                       |
| 21. Kohinoor.                        | 53. Seeyok.                          |
| 22. Kamalpur.                        | 54. Longview.                        |
| 23. The Bengal National Tea Co. Ltd. | 55. Nedam.                           |
| 24. Debijhora.                       | 56. Gieloed & Co.                    |
| 25. Kamala.                          | 57. Jalpaiguri Duars Achabam Tea Co. |
| 26. Thanjhora.                       | 58. Saraswatipur.                    |
| 27. Teesta Valley.                   | 59. Saroda.                          |
| 28. Amarawathy.                      | 60. Devanport & Co. Ltd.             |
| 29. Daga & Co. Pvt. Ltd.             | 61. Huldibari Mager & Co. Ltd.       |
| 30. Bisweswar Tea Estate (Pvt.) Ltd. | 62. Khayerbari.                      |
| 31. Chamurchi.                       | 63. Kadambini.                       |
| 32. Devanpur & Co. Ltd.              | 64. North Western Cachar.            |
| 33. Good Will.                       | 65. Great Gopalpur.                  |
| 34. Sungma & Turzam.                 | 66. Sreemadanmohan and Mahomedpur.   |
| 35. Teloijan.                        | 67. Margaret's Hope.                 |
| 76. Williamson Magor & Co. Ltd.      | 68. Bhatkhawa.                       |
|                                      | 69. Choonabhutte.                    |
|                                      | 70. Rajabhat.                        |
|                                      | 71. Ranicherra.                      |



*West Bengal—contd.*

- |                                      |                                              |
|--------------------------------------|----------------------------------------------|
| 72. New Chumta.                      | 109. Northern Dooars.                        |
| 73. Oodlabari.                       | 110. Moraghat.                               |
| 74. Bhubandhar.                      | 111. Baghijan.                               |
| 75. Paslok.                          | 112. Brae & Chingoor.                        |
| 76. Darjeeling.                      | 113. Doyapore.                               |
| 77. Jorhaut.                         | 114. Kalline.                                |
| 78. Dekhari.                         | 115. Dirai.                                  |
| 79. Doom Dooma.                      | 116. Pahargoomiah Tea Assn.                  |
| 80. Pabbojan.                        | 117. Thanai.                                 |
| 81. Duamara.                         | 118. New Terai Association.                  |
| 82. Zaloni.                          | 119. Darjeeling Tea & Chinchona Association. |
| 83. De Dhelakhat.                    | 120. Bukhial.                                |
| 84. Belgachi.                        | 121. Bhooteachang Tea Co.                    |
| 85. Chuniajhora.                     | 122. Nangdala Tea Co.                        |
| 86. Tongani.                         | 123. New Mokhooshi Tea Co.                   |
| 87. Northern Bengal Tea Corporation. | 124. Silanibari Tea Co.                      |
| 88. Gohpur.                          | 125. Empire of India & Ceylon Tea Co. Ltd.   |
| 89. Seajuli.                         | 126. Thenai Tea Co.                          |
| 90. Nagri Farm.                      | 127. Mohurgong and Gulma.                    |
| 91. Soom.                            | 128. Brae & Chingoor Tea Estates Ltd.        |
| 92. Attareekhat.                     | 129. Longview Tea Co.                        |
| 93. Bargang.                         | 130. Bukhial.                                |
| 94. Boroi.                           | 131. Dirai.                                  |
| 95. Corramore.                       | 132. Kharibari.                              |
| 96. Moabund.                         | 133. Nangdala.                               |
| 97. Romai.                           | 134. Bhutan Duars Tea Assn.                  |
| 98. Ingia.                           | 135. Fulbari Pattan.                         |
| 99. Moran.                           | 136. Raipur.                                 |
| 100. Itakooli.                       | 137. Mohamadpur.                             |
| 101. East India Tea.                 | 138. Friends Tea Co.                         |
| 102. Chamong Tea.                    | 139. Chandmani.                              |
| 103. Bor Pukhuri Tea Co.             | 140. Tirrihanna.                             |
| 104. Koomsong Tea.                   | 141. Choonabhutti Tea.                       |
| 105. Tingri Tea.                     | 142. Mim Tea Co. Ltd.                        |
| 106. Kacharigaon Tea.                | 143. Jaybirpara (Dooars).                    |
| 107. Lanakshi.                       | 144. Basmatia.                               |
| 108. Dooars Tea Co.                  |                                              |

*West Bengal—contd.*

- |                                       |                                          |
|---------------------------------------|------------------------------------------|
| 145. Bishnath.                        | 158. Jutlibari.                          |
| 146. Bordubi.                         | 159. Ananda Bag Tea Co.                  |
| 147. Majuli.                          | 160. Gopalpur Tea Co.                    |
| 148. Rajmai.                          | 161. Chuniajhora.                        |
| 149. Rupajuli.                        | 162. Longview.                           |
| 150. Amarawati (Harmari Estate).      | 163. Dheklapara.                         |
| 151. All India Tea & Trading Co. Ltd. | 164. Sunny Valley Tea Co.                |
| 152. Arya Tea Co.                     | 165. Kadambini.                          |
| 153. Jay Shree Tea & Industries Ltd.  | 166. Bengal Dooars National Tea Co. Ltd. |
| 154. Chamurchi Tea Co.                | 167. Merry View.                         |
| 155. Davenport & Co. Ltd.             | 168. Eastern Tea Co. (Kalabari Rangati). |
| 156. Amritpur.                        | 169. Baitakhal.                          |
| 157. Jalpaiguri Duars Tea Co. Ltd.    | 170. Gurjanghore.                        |

*Uttar Pradesh*

1. East Hopetown.
2. Areadia.
3. Nerianjanpur.
4. Hurbanswala.
5. Udhiyabag.
6. Goodrich.

*Tripura*

1. Mantala.
2. Mehlibundh.
3. Ranibari.

*Punjab*

1. Patiala.
2. Raja Charanjit Singh Estate.

*Mysore*

1. Alageswar.
2. Kelagur Coffee & Tea Estate.

*Kerala*

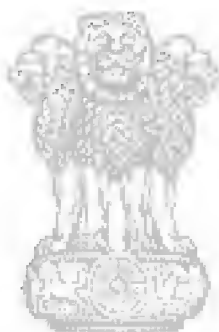
1. Peermade.
2. Chembra Peak.
3. Southern India Tea Estate.
4. Malayalam Plantations Ltd.
5. Trust Linz Estate.
6. Nonsuch.
7. Hereford.
8. Southern India Tea Estates Co. Ltd.
9. The English & Scottish Joint Cooperative Wholesale Society Ltd.
10. Hileyburia.

*Madras*

1. Ben Gorm Estate.
2. Ouchterlony Valley.
3. Waterfall.
4. Waverley.
5. Kil Kotagiri.

*Madras—contd.*

- |                          |                         |
|--------------------------|-------------------------|
| 6. Havukal.              | 11. Poonmudi Tea Ltd.   |
| 7. Kodanad.              | 12. Kodeneri Estate.    |
| 8. Glemburn Estates Ltd. | 13. Puthutotam Estates. |
| 9. Woodless.             | 14. Palattupara.        |
| 10. Spencer & Co. Ltd.   |                         |



सत्यमेव जयते

*Names of Employers' Associations who have replied to the Questionnaire*

Endorsed  
U.P.A.S.I.  
replies,

1. Indian Tea Association.
2. United Planters' Association of Southern India.
3. Indian Tea Planters' Association.
4. Tea Association of India.
5. The Kanan Devan Planters' Association.
6. The Association of Planters of the State of Madras.
7. The Association of Planters of the State of Kerala.
8. Anamalai Planters' Association.
9. Nilgiri Planters' Association.
10. Kerala Rubber Small Holdings Association.

*Names of Workers' Associations who have replied to the Questionnaire*

1. United Trade Union Congress.
2. Hind Mazdoor Sabha.
3. Indian National Trade Union Congress.
4. All India Trade Union Congress.
5. Neelamalai Plantation Workers' Union.
6. Nilgiri Distt. Estate Workers' Union.
7. Mysore State Plantation & General Labour Union.

*Names of the State Governments/Administrations from whom replies  
have been received*

- |                 |                      |
|-----------------|----------------------|
| 1. Assam.       | 6. Tripura.          |
| 2. West Bengal. | 7. Himachal Pradesh. |
| 3. Madras.      | 8. Uttar Pradesh.    |
| 4. Kerala.      | 9. Bihar.            |
| 5. Punjab.      |                      |

## APPENDIX VI

*Statement showing local taxes imposed on the Plantation Industry*

Punjab	No local taxes.
Tripura	(a) Land rent including Purta Barta Kar (Road Cess). (b) Rent on Jote Land. (c) Adda Tax (d) Pound Rent. (e) Agricultural Income Tax (f) Factory License Fee and (g) Forest Royalty.
Assam	(a) Agricultural Income Tax. (b) Carriage Tax now not applicable. (c) West Bengal Entry Tax.
West Bengal	(a) Entry Tax. (b) Sales Tax. (c) Agricultural Income Tax.
Madras	Local taxes imposed by Panchayats under the Madras Panchayat Act, 1958. Agricultural Income Tax.
Kerala	Agricultural Income Tax.
Uttar Pradesh	Nil.
Himachal Pradesh	Nil.
Bihar	Nil.
Mysore	(a) Agricultural Income Tax. (b) Land revenue. (c) Village panchayat taxes. (d) Octroi on uncured Coffee brought from plantations to Curing houses, levied by municipalities.

## APPENDIX VII

Gross profits\* as percentage of total capital employed in different industries

Sl. No.	Industry	1951	1952	1953	1954	1955	1956	1957	1958	1959	1960
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
1.	Tea Plantations ..	..	..	23.7	33.7	9.1	14.5	7.3	9.4	13.3	12.0
2.	Coffee Plantations ..	..	..	13.3	16.5	16.4	18.3	13.3	13.6	13.9	13.0
3.	Rubber Plantations ..	..	..	..	7.1	8.9	6.2	8.5	9.3	7.4	17.2
4.	Coal ..	..	..	..	..	7.6	4.9	2.6	7.1	10.3	7.5
5.	Edible, vegetable oils ..	..	..	..	..	8.5	9.3	9.4	9.2	10.3	9.0
6.	Sugar ..	..	..	..	..	11.6	9.9	3.3	4.5	8.3	11.8
7.	Cotton textiles ..	..	..	..	..	8.1	8.0	3.9 <sup>@</sup>	4.7	11.1	7.7
8.	Jute textiles ..	..	..	..	..	8.0	8.1	6.7	9.9	19.6	18.8
9.	Silk & Woollen Textiles ..	..	..	..	..	16.2	11.7	6.8	6.0	8.0	7.0
10.	Iron and Steel ..	..	..	..	..	..	..	..	..	9.6	10.7
11.	Transport equipment ..	..	..	..	..	..	..	..	..	13.4	14.0
12.	Electrical machinery, etc. ..	..	..	..	..	..	..	..	..	10.8	10.3
13.	Machinery (other than transport & electrical) ..	..	..	..	..	..	..	..	..	13.7	17.1
14.	Non-ferrous metals ..	..	..	..	..	..	..	..	..	8.4	11.3
15.	Basic industrial chemicals ..	..	..	..	..	..	..	..	..	10.4	10.1
16.	Medicine & pharma. prep. ..	..	..	..	..	..	..	..	..	15.6	14.8
17.	Other chemical products ..	..	..	..	..	..	..	..	..	18.4	17.8
18.	Matches ..	..	..	..	..	..	..	..	..	14.8	14.0
19.	Mineral oils ..	..	..	..	..	..	..	..	..	7.9	8.4
20.	Cement ..	..	..	..	..	..	..	..	..	12.1	9.5
21.	Paper & paper products ..	..	..	..	..	..	..	..	..	7.7	7.4
22.	Electricity Generation & Supply** ..	..	..	..	..	..	..	..	..	8.2	7.5
23.	Trading ..	..	..	..	..	..	..	..	..	1.7	0.2
24.	Shipping ..	..	..	..	..	..	..	..	..	..	..
25.	Total (including others) ..	..	..	..	..	..	..	..	..	..	..

Nor. -1- Indicates that numerator is zero or negative.

\*Including Managing Agent's remuneration, interest charges and provision for tax but excluding depreciation.

†Total net assets.

\*\*Depreciation deducted as per conditions stipulated in Electricity (Supply) Amendment Act, 1948.

@ For 23. Companies accounts relating to twelve months ended March 1956 are used instead of those for twelve months ended September 1955, and earlier.

Source.—Tea Statistics, 1961—1962.

## APPENDIX VIII

Statement showing the rates of dividends paid during 1956—61 by some Estate/Companies

Sl. No.	Name of Estate	Area in which situated	Area	Rates of dividends paid	
				Book Value—on original paid up capital	Market value
(1)	(2)	(3)	(4)	(5)	(6)
1	Vernerput	.. ..	187.66 hectares	14.15% for 1959 10.61% for 1960	—
2	Dhowlajhora	.. ..	652.46 acres	—	1% to 5%
3	Chandmoni	.. ..	450.94	2.96% to 8%	Market value generally the same as the value. Fluctuations in share value negligible excepting loss.
4	Alageswar Estates Ltd.	.. ..	Tea 480.36 Tea and Coffee 1382.25	7½% to 15%	—
5	Cheenthalaar	.. ..	Chikmagalur Mysore Kottayam (Kerala)	32.5 to 74.5% on ordinary shares and 6 to 8.57% on preference shares.	—
6	Madhu	.. ..	619.17 acres	6% to 48%	The book value is almost in every case of a tea company much lower than market value of shares.
7	Chembra Peak	.. ..	707.33 acres (Tea & Coffee)	25% to 70½% 10% to 20% (on total paid up capital including bonus shares). 7½% to 22½% 10% in 1956	—
	Devenport Company Ltd.	.. ..	5145.81	9% to 15% 6% in 1961	About 5.6% average 10% on par value will be equivalent to 4 to 5% on the market value.
	.. ..	.. ..	437.29 acres	—	—
	.. ..	.. ..	786.7	—	—
	.. ..	.. ..	1109.99	—	—

APPENDIX VIII—*contd.*

(1)	(2)	(3)	(4)	(5)	(6)	
12	Birjhora (Bhuta Dooars)	.. ..	Assam	624.62	6% to 20% on original paid up and 1.87% to 6.2% on 96% paid up capital including bonus shares.	Not possible to calculate dividend rate on the market value.
13	Mathura	.. ..	Jalpaiguri	542.18 hectares	2% to 12% on total paid up capital including bonus shares.	—
14	Bisweswar Tea Estates	.. ..	Cachar	254 acres	10% in 1959	—
15	Hulla Tea Estate	.. ..	West Bengal	763 acres	7½% in 1960	—
16	Katalguri	.. ..	Jalpaiguri	434.02 hectares.	5% to 20% 42% to 280% 4% to 26.67 on total paid up shares.	1.71% to 8%
17	Southern India Tea Co. Estates Ltd.	.. ..	Peermade.	—	50% to 110% 12½% to 27½% on total paid up shares. 10% to 20%.	—
18	Bogijan	.. ..	United Mikir & N. C. Hills.	226.97 acres	0.75 to Re. 1 per share.	The book value will be much lower than the market.
19	Debijhora	.. ..	West Bengal	547 acres	8 to 12% (5% to 7½% on total paid up capital).	Do.
20	Merry View	.. ..	Darjeeling	540 acres	16% to 40% 8% to 20% (on total paid up capital).	—
21	Kalabari Rangati	.. ..	Jalpaiguri	700 acres	25% to 15% 40% to 60% (4% to 6% on total paid up capital).	The book value is much lower than the market value.
22	Baitakhal Tea Estate	.. ..	Cachar	533.75 acres	3% to 15% 16% to 24% 4% to 6% (on total paid up capital).	—
23	Gurjanjhora	.. ..	Jalpaiguri Dooars	259.083 hectares	12% to 40% 3% to 10½% (on total paid up capital).	—
24	Lankashi	.. ..	Assam	102.63 hectares	—	—
25	Diana	.. ..	Jalpaiguri	738.10 acres	—	—
26	Choibari	.. ..	Assam	774.12 acres	—	1½% to 5½% (on the average market value).



27	Kil Kotagiri Estates	..	Nilgiris	556.24 hectares	45% to 15% on total paid up capital.	—
28	Gopalpur and Manipur	..	..	1125.97 acres	18.6 to 102.26% on total paid up capital.	1.7 to 8.3%.
29	Kadambini Coach Bachar Birandra Chandra Estates.	..	..	51628.25	5% to 13.41%.	5.03% to 13.33%.
30	Belgachi Tea Co. Ltd.	..	..	570 acres	20% to 40%.	3.225% to 8.33%.
31	Dheklapara	..	..	487.80 acres	2% to 10%.	The book value is much lower than the market value of the shares.
32	Joypur	..	..	582.76 acres	3.6% to 12% on total paid up capital, 1.2% to 4%.	Do.
33	Arcadia	..	..	600.50 acres	5% to 10% in 1961	In 1961, at the market value, the rate was 7%.
34	Atiabare	..	..	1174.43 acres	70% to 210% on total paid up capital.	The book value is much lower than the nearest value of the shares.
35	Tambulbari	..	..	469.88	2.08% to 12.1%.	—
36	Stagnari	..	..	207.60	3% to 6%.	—
37	Churnajhora	..	..	574.99 acres	80% in 1959	—
38	Pussimbing	..	..	570.25 acres	2% on total paid up capital.	—
39	Baghmari	..	..	620.46 acres	14.9% on preference share.	—
40	Jokai (Assam) Tea Co. Ltd.	..	..	11,417 acres	15% to 25%.	—
41	Longview	..	..	896.18 acres	13 to 14% on ordinary shares 6% on preference shares.	—
					7.1% to 42% on total paid up capital	3.1% to 10%.

## APPENDIX IX

Dividend as percentage of paid-up Capital\* in different industries

Sl. No.	Industry	Ordinary Shares						Preference Shares						Comprising Ordinary and Preferences Shares		
		(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)			
(1)	(2)	1954	1955	1956	1957	1958	1954	1955	1956	1957	1958	1959	1960			
1	Tea Plantations .. ..	34.1	16.0	16.4	10.0	10.3	7.6	6.6	5.7	4.9	6.0	14.0	13.6			
2	Coffee Plantations .. ..	17.3	17.7	20.2	15.3	14.8	6.3	5.8	6.2	5.0	5.9	13.5	12.7			
3	Rubber Plantations .. ..	6.7	8.1	7.9	8.6	9.3	7.2	5.4	4.4	4.4	3.5	9.4	10.1			
4	Coal .. ..	2.4	3.2	3.3	3.5	5.3	1.4	6.4	6.0	3.9	1.8	8.3	7.5			
5	Edible, Vegetable Oils .. ..	10.2	10.9	10.9	11.2	12.6	5.4	4.8	4.9	4.6	8.0	14.4	14.8			
6	Sugar .. ..	8.2	11.4	11.1	8.2	8.2	3.8	4.7	3.6	3.5	3.1	10.5	12.9			
7	Cotton Textiles .. ..	7.6	6.8	4.4	6.3	9.0	6.4	4.8	4.4	5.8	6.6	11.6	8.7			
8	Jute Textiles .. ..	4.6	3.9	4.7	4.7	8.8	2.8	1.9	1.7	2.4	5.5	14.0	12.2			
9	Silk and Woollen Textiles .. ..	12.6	12.6	9.3	9.2	7.7	6.7	6.7	6.7	6.7	6.7	10.7	12.6			
10	Iron & Steel .. ..	..	..	..	..	..	..	..	..	..	..	9.1	10.4			
11	Transport Equipment .. ..	..	..	..	..	..	..	..	..	..	..	14.6	16.1			
12	Electrical Machinery etc.															
13	Machinery (other than Transport & Electricals) .. ..	3.9	6.1	7.7	7.6	8.7	2.6	8.4	5.1	4.6	5.1	11.6	11.4			
14	Non-ferrous Metals .. ..	..	..	..	..	..	..	..	..	..	..	8.3	6.7			
15	Basic Industrial Chemicals .. ..	..	..	..	..	..	..	..	..	..	..	7.3	8.0			
16	Medicines & Pharma. Preparation..	2.5	5.6	6.1	5.6	7.6	10.0	3.6	3.3	3.5	6.7	10.0	10.5			
17	Other Chemical Products .. ..	10.9	10.9	10.9	10.9	10.9	10.9	..	..	..	..	10.2	9.9			
18	Matches .. ..	..	..	..	..	..	..	..	..	..	..	15.8	15.8			

19	Mineral Oils .. .. .	..	..	..	18.8	12.9	12.9	—	—	5.3	6.4	4.3	15.0	18.3
20	Cement .. .. .	..	..	..	9.2	9.6	8.5	9.7	7.6	5.5	5.8	3.7	9.6	10.3
21	Paper and Paper Products .. .. .	..	..	..	10.2	10.9	10.9	11.2	12.6	5.4	4.8	8.0	12.6	10.6
22	Electricity Generation & Supply .. .. .	..	..	..	7.4	6.4	6.4	7.4	7.6	6.7	6.2	6.5	8.0	8.0
23	Trading .. .. .	..	..	..	5.6	6.3	6.8	6.4	8.1	3.0	4.7	3.2	10.4	12.0
24	Shipping .. .. .	..	..	..	1.9	6.3	8.1	8.2	7.8	5.4	5.2	6.1	4.5	3.0
25	Total (including others) .. .. .	..	..	..	8.3	8.9	9.4	8.7	9.0	3.0	5.5	4.6	5.2	11.6

NOTE—\*Including Capitalised reserves.

†For 23 Companies, accounts relating to twelve months ended March 1956 are used instead of other for twelve months ended September 1955 used earlier.

— Nil.

Source—Tea Statistics, 1962.

*Plantation Labour Housing Scheme  
(Statement indicating progress achieved)*

Sl. No.	Name of State/Union Territory	Second Five Year Plan		Third Five Year Plan period					Progress report by the State Governments					Date up to which progress received	
		Amount allocated	Amount drawn by States	Allocation for Third Plan Period	Allocation for 1961-62	Allocation for 1962-63	Allocation for 1963-64	Amount drawn in 1961-62	Loan sanctioned by States to planters	Amount disbursed to planters	No. of houses sanctioned	Completed	Under construction		
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	
							(Figures in Lakhs of Rupees)								
1	Assam ..	18.32	2.96*	30.00	5.64	5.00	—	0.04	1.18	1.14	49	46	3	30-9-63	
2	Kerala ..	6.35	2.39	10.00	2.00	2.00	1.00	0.16	2.23	2.00	152	124	—	31-3-63	
3	Madras ..	3.50	3.17	5.00	1.00	1.75	0.90	0.42	4.04	3.72	223	156	67	30-9-63	
4	Mysore ..	9.85	—	8.00	0.50	—	2.00	—	—	—	—	—	—	—	
5	Uttar Pradesh ..	3.00	0.35@	5.00	0.50	—	—	—	1.15	—	60	—	—	—	
6	West Bengal ..	9.15	5.00	15.00	7.00	5.00	1.31	1.75	23.28	8.69	970	348	255	31-12-63	
	TOTAL ..	50.17	13.87	73.00	16.64	13.75	5.21	2.37	31.88	15.55	1454	674	325		
7	Tripura ..	0.50	—	1.00	0.20	—	—	—	—	—	—	—	—		
	GRAND TOTAL ..	50.67	13.87	74.00	16.84	13.75	5.21	2.37	31.88	15.55	1454	674	325		

\*Out of a sum of Rs. 3.00 lakhs paid so far to Assam Government a sum of Rs. 1.32 lakhs was subsequently diverted to Low Income Group Housing Scheme.

**@Subsequently diverted to Low Income Group Housing Scheme.**

## APPENDIX XI

*Statement I showing the calculations of existing rates of depreciation allowance in respect of a pucca house*

Initial depreciation	..	..	..	..	20%
Normal depreciation rate	..	..	..	..	7½%
Amortization period	..	..	..	..	21 years.

Year	Depreciation allowance (percent-age)
Initial depreciation 20	
1.	7.5
2.	6.9
3.	6.4
4.	5.9
5.	5.5
6.	5.1
7.	4.7
8.	4.4
9.	4
10.	3.7
11.	3.4
12.	3.2
13.	2.9
14.	2.7
15.	2.5
16.	2.3
17.	2.2
18.	2
19.	1.9
20.	1.7
21.	1.1

*Statement II showing the calculations of depreciation allowance in respect of a Semi-pucca house if the revised rates proposed by the Working Group in Chapter IV are adopted*

Initial depreciation	..	..	..	..	40%
Normal depreciation rate	..	..	..	..	7.5%
Amortization period	..	..	..	..	12 years.

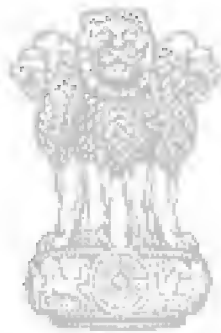
  

Year	Depreciation allowance (percentage)
Initial depreciation 40	
1.	7.5
2.	6.9
3.	6.4
4.	5.9
5.	5.5
6.	5.1
7.	4.7
8.	4.4
9.	4
10.	3.7
11.	3.4
12.	2.5
100.0	

*Statement III showing the calculations of depreciation allowance in respect of a kutchha house if the revised rates proposed by the Working Group in Chapter IV are adopted*

Initial depreciation	..	..	..	..	40%
Normal depreciation rate	..	..	..	..	25%
Amortization period	..	..	..	..	3 years.

Year	Depreciation allowance (Percentage)
Initial depreciation	40
1.	25
2.	19
3.	14
	98
	or say 100



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## APPENDIX XII

*Statement showing the brief particulars of financial assistance available to Co-operatives under various Housing Schemes*

(i) *Subsidised Industrial Housing Scheme.*—Loan—65 per cent in the case of Co-operatives of Industrial workers and 25 per cent subsidy.

(ii) *Low Income Group Housing Scheme.*—10 per cent of funds available to the State Government to be earmarked for disbursement to individuals with annual income not exceeding Rs. 6,000 and their Co-operatives and preference should be given to co-operative societies.

(iii) *Village Housing Projects Scheme.*—Preference to be given to co-operatives in regard to the grant of loans.

(iv) *Middle Income Group Housing Scheme.*—It is open to the State Governments to earmark adequate funds and to give preference to co-operatives.

(v) *Land Acquisition and Development Scheme.*—It is open to State Government to allot developed plots at a concessional rate to housing co-operatives.

(vi) *Slum clearance Scheme; Rental Housing Scheme for State Government employees; Plantation Labour Housing Scheme.*—The projects under the schemes are executed by State Governments/Statutory Bodies or Planters, as the case may be and the question of granting assistance to co-operatives does not arise in these Schemes.

### APPENDIX XIII

*Statement containing a gist of Standards and Specifications prescribed for construction of workers' houses by the State Governments.*

#### *Assam*

(i) Two living rooms— $10' \times 12'$  and  $12' \times 15'$

(ii) One front verandah— $4' \times 12'$

(iii) One back verandah— $22' \times 6'$  (one end of which shall be enclosed to serve as a store room  $8' \times 6'$  and the other end, to serve as a bathing enclosure  $6' \times 6'$ ).

(iv) Kitchen— $10' \times 10'$ .

(To accommodate bigger families with more than 5 members an additional living room  $8' \times 10'$  shall be added).

(v) Height of the house—10 feet.

#### *West Bengal (excepting Darjeeling)*

A. (i) Two rooms with floor areas of 120 sq. feet and 96 sq. feet respectively.

(ii) Kitchen and verandah with a total floor area of 100 square feet.

(iii) Bath and Lavatory with floor area of 16 square feet and 12 square feet respectively.

(iv) Storage space for food and fuel—12 sq. feet.

(v) Height of the two main rooms in the case of sloped roofed structures 10'6"

#### B. *For Hill Gardens :*

(i) Two rooms with floor area of 100 sq. feet each.

(ii) Kitchen and verandah with a total floor area of 81 sq. feet.

(iii) Bath and Lavatory with floor area of 16 sq. feet and 12 sq. feet respectively.

(iv) Storage of space for food and fuel 12 sq. feet.

(v) Height of the two main rooms from floor to ceiling sloped roofed houses.

9 feet

Iron flat roofed houses—8'6"



*Tripura*

Two rooms (24 sq. feet in area and 10.6' in height) storage space for food and fuel; adequate washing facilities together with supplies of pure drinking water within a reasonable distance.

A family lavatory or latrine.

Adequate verandah space.

A compound for the growing of vegetables, and the housing of cattle.

*Uttar Pradesh*

(a) Room size .. .. .	14' x 3' x 9'	One
(b) Verandah (rear covered with wire mesh or bamboo jafri)		8' wide one
(c) Kitchen space in the verandah with a well designed flue		One
(d) Covered bath room size 4' x 6'		One
(e) Water supply—tap Water or hand pump		One
(f) Courtyard, size 4'—3 x 25'		One

*Madras*

(i) A living room .. .. .	120 sq. feet in area.
(ii) Kitchen (inclusive of bath-cum-wash room) ..	80 sq. feet (not less than 50 sq. feet for kitchen portion) A dwarf wall of 3' height shall separate the Kitchen from the bath room).
(iii) Verandah .. .. .	60 sq. feet in area and 5 feet in breadth.
(iv) Minimum height of room inside the room ..	8 feet

*Mysore*

	Sq. feet
One living room .. .. .	120
One multi-purpose room (for cooking and other purposes) .. .. .	84
Bath .. .. .	16
Latrine .. .. .	12
	<hr/> 232 sq. feet

Height of the two main rooms in the case of sloped roof structures. 10' 6" (from floor to apex of the ceiling).

*Kerala*

Approximate cost of one house .. .. .	Rs. 2,000
One Living room .. .. .	12' x 10'
One Rear Verandah (consisting kitchen) .. .. .	12' x 7'
1 Front verandah .. .. .	12' x 6'

The houses may be built in four, six, eight and ten house blocks.

**APPENDIX XIV**  
**NOTIFICATION**

*Dated 28th February 1963*

*No. GLR, 503/60.*—On the recommendation of the Advisory Board on Housing re-constituted in this Department Notification No. GLR. 468/62/1, dated the 28th August, 1962, the Governor of Assam is pleased to approve under Rule 59 of the Assam Plantations Labour Rules, 1956 read with Rule 68 of the said Rules, the following amendments in the standards and specifications of labour houses laid down under Government Notifications No. GLR.81/56/68 dated 21-12-56 and No. GLR.503/60/5 dated 30-12-60.

1. (a) To accommodate families with not more than 5 members, each house shall consist of two living rooms, 10' × 12' and 12' × 15' respectively; one front verandah, 4' × 12'; one back verandah 22' × 6' one end of which shall be enclosed to serve as a storeroom, 8' × 6' and the other end, to serve as a bathing enclosure 6' × 6'. Besides, there shall be a kitchen 10' × 10' along-side the storeroom.

(b) To accommodate bigger families with more than 5 members an additional living room 9' × 10' shall be added.

2. The height of the house including the kitchen from the floor to the bottom of the wall/post-plate shall not be less than 10 ft. and the height at the end of the verandah roof and the roof of the storeroom from the floor shall be not less than 6 ft. 6 in. and not more than 7 ft. 6 in.

The height of the plinth shall at no point be less than 1 ft. from the ground level.

3. The living rooms and the kitchen shall each have a door double leafed 6'-3" by 3' for outside entrance and two windows each 2'-6" by 3'-3", and shall be so placed as to provide cross ventilation. Besides, there shall be doors connecting the living rooms and the kitchen and living room measuring 2'-6" by 6'-3" each. These shall be of treated or first class timber planks 1" thick, fully dressed and battened.

The window shall be provided with iron bars, and where these are not available, with strong wooden or bamboo bars. All doors and windows shall be provided with two bolts and iron ring handles.

*Provision shall be made for gable and/or ceiling ventilation*

*Foundation.*—The foundation shall be 1'-3" wide and 6" thick cement concrete in the proportion of one part cement to four/1½ parts sand and eight parts broken metals/singles 1" to 1½" (Diameters) and shall be laid 1' below ground or at the level where hard soil is reached whichever is more.

*Plinth.*—The outer walls of the plinth shall be 10" brick in cement in the proportion of one part cement to four parts sand. The non-load bearing walls may be 5" brick in cement in the same proportion.

*Floor.*—The floor may be of rammed earth laid on a foundation of sand and broken stone or brick 6" thick. All plinth fillings shall be properly consolidated in layers, watered, rammed and allowed to consolidate. For inner floors the surface shall be prepared perfectly level. For verandahs, the surface shall be prepared with an outward slope of 1 in 60, when thoroughly settled the surface shall be coated with a  $\frac{1}{2}$ " layer of mud plaster consisting of earth and cowdung in equal proportion.

*Posts.*—The posts shall be either 5"  $\times$  5" r.c.c. (in the proportion of one part cement to two parts sand and four parts broken metal  $\frac{1}{2}$ " to  $\frac{3}{4}$ " in diameter) with 4 numbers of 3/8"ms rods and  $\frac{1}{4}$ " linds at intervals of 8" tied with 20g.g. wire, or 5"  $\times$  5" square timber (first class preferably 'sal' or treated) fixed to plinth by flat iron 18"  $\times$  2"  $\times$   $\frac{1}{2}$ " with nuts and bolts. The flat iron shall be embedded in cement concrete 1'  $\times$  10" in the proportion of 1 : 3 : 6.

Round timber posts 9" diameter may be used driven 3" underground encased in 15"  $\times$  15" brick pillar up to plinth height. Posts shall be provided at the extreme corners and at the points of two walls, and all door and window verticals shall be extended to the post-plate to serve as wall posts. These shall be at least 3"  $\times$  4" sawn timber (first class or treated).

*Wall.*—Walls up to window-sill should be of brick in cement (in the proportion of one part cement to five parts sand) plastered  $\frac{1}{4}$ " thick with cement mortar in the proportion of 1 : 6 and white washed 3 coats on both the faces. Rest of the walls shall be of wattle/bamboo cement plastered and white washed as above. First class or treated timber quarring and horizontals 3"  $\times$  2" shall be used in constructing the walls.

Brick walling about the window-sill shall be strictly avoided.

With a view to meet the present scarcity of cement, the portion of the walls up to window-sill may be of wattle/bamboo as for the rest of the walls; and plastering may be with mud instead of cement as specified hereunder.

For mud plastering, loamy sand and cowdung shall be mixed in equal proportions and one pound of straw or grass chopped into lengths of about 3 inches added to every 2 cu. ft. of plaster. The grass or straw need not be added to the finishing coat.

The first coat shall be applied by hand, well worked into all interstices, and left with a rough surface. When the first coat is nearly dry, the second coat shall be applied with a plaster's trowel and worked to a smooth even surface. As it dries out, all cracks etc. must be filled in with plaster. The mud plaster shall be finished off with a coat of pure lime plaster made from freshly slaked lime. The finished wall shall be white-washed at least 2 coats

*Roof.*—The roof may be of G.I., A.C.C. or aluminium sheets or tiles of approved make. Thatch may be allowed to be used except in the kitchen portion.

The roof shall have hipped ends with an overhand of not less than  $2\frac{1}{2}$  ft. beyond the walls and the slope of the roof shall be such that the height of the truss at the centre is at least  $\frac{1}{3}$ rd of the span, provided that in thatch roofed houses, this height shall not be less than  $\frac{1}{2}$  of the span.

The truss shall be of first class or treated timber and secured by nuts and bolts to the post-plate. The rafters shall be of  $4'' \times 3''$  size, secured by double ties of  $4'' \times 1\frac{1}{2}''$  across the post-plate. The gap between rafters shall not exceed 5 ft. in the case of asbestos roof, 4 ft. in the case of tiled roof and 7 ft. in other cases.

The purlings shall be of  $3'' \times 2''$  size, placed at intervals of not more than 4 ft.

In the case of tile-roofed houses, the tiles shall rest on battens of  $2' \times 1\frac{1}{2}'$  size, and shall be laid square, properly fitting each other. The tiles shall be sound, well-burnt, of regular shape and uniform size. They must not absorb more than one-sixth their weight when soaked in water for 24 hours.

In the case of thatch roofed houses, the frame shall consist of 'ruas' not less than  $1\frac{1}{2}''$  at the thin end, placed 9 inches apart from centre to centre across the purlings with the thicker end towards the eaves and separately tied to the purlings. Both above and below these 'ruas' horizontal bamboo battens  $1\frac{1}{2}''$  broad shall be placed at intervals of 6 inches and tied to them at every intersection with cane or galvanised wire. The whole frame shall be tied to the purlings at every 18 inches. The thatch shall be cleaned and spread evenly, and fastened with bamboo battens to the frame at intervals of 2 ft. The gap between successive layers shall not be more than 1 ft. and the thatching shall be at least 4'' thick.

*Ceiling.*—All houses shall be provided with ceilings which may be of A.C. Sheets, plank, bamboo matting (split bamboo) or wattle, painted or plastered as the case may be. Hessian cloth ceiling shall be avoided.

*Kitchen.*—The kitchen shall be provided with shelves for storage of food and adequate provision shall be made for ceiling and roof ventilation for escape of smoke.

*Water supply.*—As far as practicable, water-points shall be provided at the rate of one for every  $\frac{4}{5}$  families.

## NOTIFICATION

*Dated Shillong, the 10th May, 1963*

No. GLR.503/60.—The Governor of Assam is pleased to make the following further amendments to the standards and specifications of labour

houses laid down under Government Notification No. GLR.503/60 dated 28-2-63.

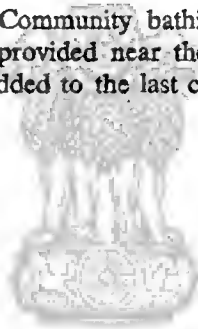
### AMENDMENTS

(1) The words "and the other end, to serve as a bathing enclosure 6' x 6' occurring at the end of first sentence in clause 1(a) of the said notification may be deleted.

(2) The words "and the roof of the storeroom" occurring after the word "roof" in clause (2) may be deleted.

(3) The words "Besides, there shall be doors connecting the living rooms and the kitchen living room measuring 2'-6" by 6'-3" each" occurring in the second sentence of clause (3) may be substituted by the words "Besides, there shall be doors connecting the living rooms, storeroom and the kitchen 2'-6" by 6'-3" each.

(4) A new sentence "Community bathing enclosures separately for male and female shall be provided near the water points with adequate drainage out-lets" may be added to the last clause under water supply.



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